Infor E Series
Human Capital Management
User Guide

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About This Guide

Introduction

E Series software packages for mainframe computers solve business problems in finance, cash management, human capital management, and manufacturing. These products are integrated so that functions can cross application boundaries to provide your business with a total solution. The products rely on state-of-the-art techniques for database access, online use, and realtime processing.

E Series includes the Human Capital Management system. This software system is designed to make your payroll and personnel responsibilities easier to accomplish and control. It allows you to meet your payroll, personnel, and government requirements.

Whether you use the payroll or personnel information independently or combined with other E Series systems, you have full control of your records as well as up-to-the-minute information. With Infor E Series Human Capital Management (HCM:E), all employee information is immediately available when needed. HCM:E communicates with the General Ledger system for automatic posting of payroll expenditures.

Purpose of this Guide

The *User Guide* describes how to establish, process, and maintain HCM:E. This book explains what the system does, which options are available, and how the information you enter is reported.

Assumptions of this Guide

The *User Guide* is a detailed view of HCM:E. It discusses the business needs and requirements for controlling payroll and personnel information and how the HCM:E meets these needs. This book is intended for payroll managers, personnel managers, and human resource staff. It covers all of the basic system concepts and policy considerations involved in establishing and maintaining payroll and personnel records.

This guide assumes that you are familiar with the procedures for performing payroll and human capital management tasks in your company.

Documentation

Extensive documentation accompanies every E Series system. E Series documentation includes the following types of information:

- Installation and maintenance
- Introductory
- How To
- Reference

Documentation Enhancements

HCM:E documentation is delivered on the Infor Support Portal for customers on support for this product. You can access HCM:E online documentation using the Browse Documentation option on the Search menu on the home page of the Infor Support Portal.

The HCM:E online documentation is part of standard maintenance. You can print as many copies of the documentation as required from the PDF files.

Documentation Area

The Documentation area provides the following features:

- Accessing up-to-date information
- Using full-text search capability
- Printing online topics
- Searching by date to receive the latest online updates
- Downloading files for printing

Accessing Documentation Online

To access the HCM:E documentation online, you must have

- Internet Explorer 8.0 or later
- Infor Support Portal ID and password (contact your system administrator).

HCM:E Documentation Updates

To access the most up-to-date version of HCM:E documentation, always use the Documentation area. The online documentation files are updated periodically with new information. You can use the advanced search function on the Infor Support Portal to search for updated information.

System Guides

Documentation for HCM:E consists of the following guides:

Guide	Description
User Guide	Contains detailed instructions for establishing and maintaining organizations and employee information in HCM:E.
Transactions Descriptions	Contains detailed descriptions of all transactions in HCM:E. This guide supplements the *Screen Reference Guide* and the *User Guide*.
Screen Reference Guide	Illustrates every screen displayed by HCM:E. The screen descriptions are organized by function. They include transactions and required fields associated with the screen. This guide also provides instructions for performing basic operations, signing on and off HCM:E, and selected activities. Use it with *Transaction Descriptions* and this *User Guide* for detailed instructions on entering information online.
Reports Guide	Describes the standard reports produced by HCM:E and provides samples of each report. Also, examples and descriptions of sample Information Expert reports are documented.
Tax Reference Guide	Provides all taxing specific information and supplements the other HCM:E guides.
Technical Guide	Contains the technical information needed to implement, run, and maintain HCM:E. It is also a reference guide for applications and data processing personnel. Reference materials include technical How To and Error Message sections. This guide provides instructions for successful system operation and maintenance.
System Flow	Contains diagrams of data flow, the relationship of programs and files in HCM:E.
File and Record Descriptions	Descriptions of every file and record in the system are delivered separately on the Infor Support Portal.
Installation Support Package	Contains procedures for installing the HCM:E utility programs, online interface programs, and application programs.
Migration Guide	Contains information designed to help upgrade to the most current release. This guide is for customers that have a previous release of HCM:E installed in production. It is used after the re-installation as a guide for migrating their production system to the new release.

1 System Overview

Chapter Contents

1-1 Introduction
1-2 Employee Master File
1-5 HRMS Tables File
1-10 Reporting the HRMS Tables File
1-15 File Control
1-17 Processing the Trailer Total Reports
1-18 Test Date Processing Override

Introduction

This chapter discusses the two primary files used to process information for all users of the Infor E Series Human Capital Management (HCM:E) system:

- Employee Master File
- HRMS Tables File.

The Employee Master File contains each organization's reporting policies and employee-level information.

The HRMS Tables File contains information that can be applied to all organizations and employees. It contains information such as tax identification, report schedules, standard rates of pay, and code definitions.

Employee Master File

Three types of Employee Master Files can be defined to handle different processing cycles:

- Current Cycle Master
- Period-End Cycle Master
- Extract/Rerun Cycle Master

By defining the type of Employee Master File, you can be sure you are processing the correct information for your organizations.

Use this type…	For…
Current cycle	Ongoing processing.
Period-end cycle	Quarter-end or year-end processing. You can create a Period-End Cycle Master File by adding organizations as they end a period while you continue ongoing processing with the Current Cycle Master file.
Extract/Rerun cycle	To extract specific organizations and run payroll or to rerun a payroll partially. If you need to run or rerun a few of the organizations in your master file, create an Extract/Rerun Cycle Master File. This file contains only of the organizations you have selected to run or rerun.

For more information, see the following sections in the *Technical Guide*:

- Executing a Partial Rerun
- Executing an Extract Run
- Building a Period-End Master

Selecting a File Type

You identify the type of Employee Master File used by the program to perform maintenance and reporting activities. When the Current Cycle Master File is used, no selection is needed. All programs assume the Current Cycle Master is being used unless you select another type.

Use the IC transaction to identify the master file type for the following maintenance programs:

- Transaction Validate
- Update Master File
- Payroll Compute
- History Field Select (Life-to-Date History module).

Be sure the IC master file type you select matches the master file type to process. If the IC type option and master file type do not match, no processing takes place.

Use the A* transaction to identify the master file type for the following reporting programs:

- Payroll Report Generate
- Master File Print
- Master File Utility
- Employee Transfer
- Canadian Record of Employment (ROE)
- Personnel Report Generate.

Example

In these examples, a Period-End Cycle Master File is selected for both maintenance and reporting activities.

Maintenance

Position	Field Name	Field Value
1-2	TRANS CODE	IC
3-6	RESERVED	
7-8	RUN DATE-YR	(not needed in this example)
9-10	RUN DATE-MO	(not needed in this example)
11-12	RUN DATE-DA	(not needed in this example)
13	DETAIL	(not needed in this example)
14-18	RESERVED	
19	TYPE	(not needed in this example)
20	INPUT	(not needed in this example)
21	MASTER	P
22-80	RESERVED	

Reporting

Position	Field Name	Field Value
1-2	TRANS CODE	A*
3-17	RESERVED	
18-19	FILE ID	EM
20	TYPE	P
21-80	RESERVED	

HRMS Tables File

The HRMS Tables File contains Employee Master File controls, payroll information, personnel, and module information. The information in the Tables File is grouped by application. The following applications are included:

- Payroll/Personnel
- Payroll
- Personnel
- Benefits/ERISA
- Life-to-Date History
- Employee/Labor Relations
- Lost Time, Health & Safety
- Position Control

Each of the applications areas is established and maintained using HRMS Tables File transactions. The transactions are entered into the Create Tables File Key program. The transactions are validated in the Tables File Update program. The valid transactions are then used by the Table File Update program to add, change, or delete Tables File information.

Reporting

You can audit this activity by requesting and reviewing the Input Transaction List, Transaction Validation, and File Maintenance reports. You can also request a File List report that shows Tables File information for selected applications. Requesting these reports is discussed in this chapter.

HRMS Tables File information is used with the Employee Master File or a module's master file information.

For example, the HRMS Tables File contains the transmitter's name, address, and tax identification for W-2 Tape reporting. This information is used with the employee's wage and tax information in the Employee Master File when you produce a W-2 tape. For HCM:E EEO reporting, you establish controlling and reporting units in the HRMS Tables File. The EEO unit information is then used with the employee's sex, birth date, EEO code, employment date, occupational category, and unit code from the Employee Master File to produce your EEO report.

Organization DOEs

You also store the organization's deductions and other earnings (DOE) information in the Tables File. This information is used with the Employee Master File throughout the payroll process to validate and compute pay information and to report deduction and earnings information.

Code Values

Codes stored in the HRMS Tables File are used in validating codes entered in certain employee fields. For example, HCM:E verifies that codes entered on HCM:E transactions or screens can be found in the HRMS Tables File. Code values not found are rejected. Some fields that are checked include EEO unit code, salary change reason, termination reason, and skills.

Setting Up and Maintaining Information

The HRMS Tables File transactions used to establish and maintain the application information are discussed here. You will find detailed information about the transactions for the Payroll or Personnel applications in those sections of this guide and the *Transaction Descriptions* guide. For module applications, see the How To and Transaction Descriptions sections in the appropriate module guide.

Building the HRMS Tables File

To build your Tables File initially, you must use the CTL control transaction. Using the CTL transaction, you can specify system/audit report and processing options.

The report options are explained in detail later in this chapter. The processing options include the update type option and the validate/update option.

Option	Description
Update Type	This option is used to specify that you are entering transactions to create the HRMS Tables File or process routine maintenance.
Validate/Update	This option is used to indicate whether you want to update the Tables File directly with transactions that have been validated or stop after the validate process.

If you are entering a large number of transactions, you might want to check the Transaction Validate report for errors before you apply the updates to the HRMS Tables File.

When you use the CTL transaction to create the HRMS Tables File, we recommend that you enter as many HRMS Tables File transactions as possible. The maintenance or update code on the transactions must indicate that you are adding to the file.

Example

In this example, the following options are selected:

- Create the HRMS Tables File by using Load
- Stop after the validate step so that the report and the report date can be reviewed

If you do not enter a date, the current computer date is used.

Position	Field Name	Field Value
1-3	TRAN CODE	CTL
4-5	DATE-YR	90
6-7	DATE-MO	12
8-9	DATE-DA	15
10-22	(Not needed in this example)	
23	VAL/UPDT OPT	*
24-27	LOAD UPDATE OPTION	LOAD
28-80	RESERVED	

Maintaining Information

The maintenance code on each HRMS Tables File transaction is used to indicate whether the transaction is adding, changing, or deleting information from the HRMS Tables File. You can also select the Load/Update option on the CTL transaction to indicate whether you are creating the HRMS Tables File or maintaining it.

Note that if you do not enter a CTL transaction, one will be generated with the current system date, specifying to validate and update the transactions directly to the file.

Entry Rule

Generally, when you are changing HRMS Tables File information, you need to enter only the information that you are changing. However, for some transactions, you must enter data in all of the fields on the transaction when you change any field. Screen rules are defined in the *Screen Reference Guide*.

For example, in batch processing, on the AD transaction you need to enter data only in the field that is changing; on the T33 transaction you enter data in all fields to change any one. Always check the Transaction Descriptions to determine whether to enter all fields or only the fields you want to change.

Example

In this example, two geographic preference code translations that were previously entered incorrectly need to be corrected. The T66 transactions are used to correct Atlanta and delete New York. At the same time, a TC transaction is entered to add Colorado to the file.

Position	Field Name	Field Value
1-3	TRANS CODE	CTL
4-21	(Not needed in this example)	
22	MAINT OPT	*
23-27	(Not needed in this example)	
28-80	RESERVED	

To Change Atlanta

Position	Field Name	Field Value
1-3	TRAN CODE	T66
4-6	RESERVED	
7	MAINT	C
8-15	RESERVED	
16-21	FIELD NUMBER	606009
22-31	CODE VALUE	01
32-34	RESERVED	
35-49	TRANSLATION	ATLANTA GEORGIA
50-64	(Not needed in this example)	
65-80	RESERVED	

To Delete New York

Position	Field Name	Field Value
1-3	TRAN CODE	T66
4-6	RESERVED	
7	MAINT	D
8-15	RESERVED	
16-21	FIELD NUMBER	606009
22-31	CODE VALUE	09
32-34	RESERVED	
35-64	(Not needed in this example)	
65-80	RESERVED	

To Add Colorado

Position	Field Name	Field Value
1-2	CONTROL LEVELS-1	MS
3-4	CONTROL LEVELS-2	02
5-6	TRAN CODE	TC
7-8	RESERVED	
9-10	STATE CODE	06
11-23	STATE NAME	COLORADO
24-34	(Not needed in this example)	
35-44	SUI TAX FOR STATE QUARTERLY WAGE REPORTS	95106A92-1
45-57	(Not needed in this example)	
58-69	STATE TAX ID FOR W-2	595206492101
70-80	(Not needed in this example)	

Reporting the HRMS Tables File

The following audit reports are produced when you update the HRMS Tables File:

- Input Transaction List
- Transaction Validate Report
- File Maintenance Report

Enter the report options for the audit reports on the CTL control transaction.

Recommendation: Carefully review your Tables File reports to make sure the information in the HRMS Tables File is accurate and meaningful to your organization.

Requesting Audit Reports

In the following CTL transaction example, options that apply to all three reports are selected.

Example

For the File Maintenance Report, a new page needs to begin each time a level 1-level 2 changes.

For the Input Transaction List and the Transaction Validate Reports, all transactions need to be reported, not just those with errors.

The date entered on the CTL transaction will be the date on all three reports.

Position	Field Name	Field Value
1-3	TRAN CODE	CTL
4-5	DATE-YR	90
6-	DATE-MO	12
8-9	DATE-DA	15
10-19	RESERVED	
20	LEVEL BREAK	*
21	PRINT OPT	*
22	PRINT OPT	*
23	VAL/UPD OPT	
24-27	(Not needed in this example)	
28-80	RESERVED	

For samples of the audit reports, see the *Reports Guide*.

Requesting the HRMS Tables File List

You can list all information you have stored in the HRMS Tables File by application. If you want to print all HRMS Tables File information on the HRMS Tables File List report, enter the **ALL** transaction.

If you want to select a specific application area to print on the report, this table lists the information you need to select the appropriate application.

Application Selection Table

System/Module	Selection Transaction	Application Contents	Transactions Included
Payroll/Personnel	RUN	Master File Access Control	T00-001, T00-T002
		File Control	T01-001, T01-002
		Installation Audit-Solution Data	T02-001, T02-002
Payroll	PAY	Banking Services	TA, TX, TW
		Combined Payroll/DOE Register	TK
		Federal, State, and Local Taxing	TB, TC, TD, TE, TF
		Labor Distribution Options	TL
		Rate Table	TG
		W-2/State Specific Regulatory Reporting	TZ1-001 - TZ1-023 TZ1-046 - TZ1-054 TZ1-060 - TZ1-062 TZ1-102, TZ1-105 TZ1-114-A/B/C, TZ1-121, TZ1-126, TZ1-127, TZ1-130 TZ1-131, TZ1-133 TZ1-138, TZ1-139, TZ1-151, TZ1-520 - TZ1-521
		1099-R	TZ1-200 - TZ1-213 TZ1-321
		Reporting Options	AD, AE, AF, DL, SL
		Check Writer Forms Identification	TH1-001, TH2-001
		Tax Reference Information	Reference Information

(continued)

System/Module	Selection Transaction	Application Contents	Transactions Included
		Organization DOE Information, Step DOE information, Tabled Amounts, Special Hours	DOE-001, DOE-STP, DOE-TAB, DOE-SPH
		Generate/Print Options for Regulatory Reporting (US)	FRM001 GEN001-002 GRP001-003 LOC001 PRT001-002 SRT001
	CAN	Office de la Construction du Quebec Provinces	TM-T4Q1 - TM-T4Q3 TM-00
		Parity DOEs	TM-T4P1 - TM-T4P3
		Record of Employment	TM-ROH1 - TM-ROH5 TM-ROT1 - TM-ROT5 TM-ROR1 - TM-ROR9, TM-ROEA, TM-ROEV
		Tax Segment DOEs	TM-T4AA, TM-T4AB, TM-T4AC, TM-T4AD, TM-T4AE, TM-T4AF, TM-T4AG, TM-T4AH, TM-T4AI, TM-T4AJ, TM-T4AK, TM-T4AL, TMT4AM, TM-T4AN, TM-T4AO,TM-T4AP, TM-T4AQ, TM-T4AR, TM-T4AS, TM-T4AT, TM-T4AU, TM-T4AV, TM-T4AW, TM-T4AX TM-T4B, TM-T4C, TM-T4D1, TM-T4D4, TM-T4E, TM-T4F, TM-T4G, TM-T4H, TM-T4I1, TM-T4I9, TM-T4J, TM-T4K, TM-T4M, TM-T4O, TM-T4R1, TM-T4R4, TM-T4U1, TM-T4U9, TM-T4V, TM-T4W, TM-T4X, TM-T4Y

(continued)

System/Module	Selection Transaction	Application Contents	Transactions Included
		DOE Definitions	TM-BNUS, TM-RTRO
		T4/Relevé 1 Footnote Cross-Reference Numbers	TM-FTAn, TM-FTNn TM-FTRn, TM-FTTn
		Beginning EI Date	TM-UW
		EI Rate Code, Employer Business No.	TM-TUU0 - TM-TUU9
		Relevé Tape Record Number	TM-UW00
		T4 File Transmitter Data	TM-Z001 - TM-Z006
		T4 File Summary Data	TM-Z101 - TM-Z105
		Relevé File Employer Info	TM-Z106 – TM-Z110
		Canadian Year-end Report Parameters	GRP004, SRT002
		Canadian Tape Records Selection T4/T4A and Relevé	SRO002-003
Personnel	PMR	EEO	T64-001 - T64-005, T65-001 T65-015
		Code Translations	T66
	WFU	Workforce Utilization Protected Class Statistics	T61-001 - T61-003
		Workforce Utilization Code Translations	T63
	MBC	Canadian Personnel	T69-001 - T69-009
Benefits/ERISA	BEN	Benefits Plan	T21-001 - T21-002 T22-000 - T22-001 T23-001 - T23-002 T24-000 - T24-005 T25-001 - T25-010
Life-to-Date History	HIS	Driver and Driven Field Control	T33
Employee/Labor Relations	LRL	Code Translations and Structural Definitions	T71-001 - T75-001
Lost Time	LST	Code Translations	T41-001 - T46-011
Position Control	POS	Position Narratives	T11
		Salary Range Specifications	T12, T13

Requesting an Application-Specific Report

To request an application-specific HRMS Tables File List, complete the transaction indicated on the Application List Table.

Entry Rules

Generally, the information entered in level 1-level 2 and date fields on all of the application selection transactions follows the same rules.

You can enter a specific level 1-level 2 to select the application information for only that organization, or you can leave level 1-level 2 blank to select the application information for all your organizations.

The date you enter is printed on the report. If you leave the date field blank, the current computer date is used as the report date.

Exceptions

Some exceptions to the level 1-level 2 and date field rules apply for the ALL, PMR, and WFU transactions. See the *Transaction Descriptions* when completing these and all HRMS Tables File transactions.

Example

In this example, the HRMS Tables File List report is requested for only the Personnel code translation information.

Position	Field Name	Field Value
1-3	TRAN CODE	PMR
4-7	RESERVED	
8	LEVEL BREAK	
9-10	DATE-YR	90
11-12	DATE-MO	12
13-14	DATE-DA	15
15-24	(Not needed in this example)	
25	PRINT OPT	
26	CODE TRANSL	*
27-80	RESERVED	

For an example of the HRMS Tables File List report, see the *Reports Guide*.

File Control

File Control is the method used to verify that the appropriate valid transactions are used to update the correct Employee Master File type and ensure that the most current master is used for processing and reporting. See the discussion of Employee Master File Types in this section. File Control processing is automatic unless you choose to override it. For more information, see the *Technical Guide*.

The Valid Transaction File and the Employee Master File contain date and time controls indicating when each file was created or updated. This information is updated automatically and cannot be changed using transactions. The Valid Transaction File and the Employee Master File have the following date and time control fields:

- Valid Transaction File controls indicating the computer date and time the Valid Transaction File was created.
- Employee Master File controls indicating the computer date and time the Employee Master File was created.
- Organization controls indicating the computer date and time the organization in the Employee Master File was last updated.

File Control Processing

As the Employee Master File is processed and the organizations are updated, the HRMS Tables File is used to verify that the Valid Transaction File being processed is the correct one for the update activities. For more information, see the *Technical Guide*. As the Valid Transaction File is created and the Employee Master File updated, the HRMS Tables File date and time controls are compared and updated. The HRMS Tables File has the following date and time controls:

- The date and time of the last update to the Employee Master File
- The date and time of the last update to an organization
- The date and time of the Valid Transaction file
- The organization date and time controls expected by the Update Master File
- The organization date and time controls expected by Payroll Compute

File Control date and time data is shown in the file and organization headers on the Employee Master Print report. You can see the HRMS Tables File control data by entering a RUN transaction to produce the HRMS Tables File List.

File Control Reporting

A Master File Audit Trail is produced to provide an audit of the updates to your master to aid in error recovery. The master file audit trail lines are produced by

- Transaction Validation
- Update Master File
- Payroll Compute
- Employee Master File Utility.

You can use this information to track all activity that changes or updates the Employee Master File and to ensure that the Employee Master File is processed with the correct Valid Transaction File. If an error does occur, this report will help you match your Employee Master File to the correct Valid Transaction File or restore any lost data, or both.

The Master File Audit Trail lines are printed after totals for each organization processed and at the end of the report. See a sample of the report and a detailed description of the audit trail lines in the All Users chapter of the *Reports Guide*.

Processing the Trailer Total Reports

This section explains the Trailer Totals Report from the Employee Master Utility program and how to correct trailer errors. The Employee Master Utility program is used with the Employee Master File to perform various functions. The IU transaction controls the processing of the Employee Master Utility program.

This section covers producing the Trailer Totals report and correcting trailer totals. For more information, see the *Technical Guide*.

Trailer Totals Report

To produce the Trailer Totals report, enter an IU transaction with no options selected or select any options except creating the initial master file.

The report shows the required IU and A* control transactions entered and displays any warning or error messages associated with these transactions. The Employee Master File segment and employee totals are printed for each organization trailer in the file, followed by file trailer totals at the end of the report. For an example of this report, see the *Reports Guide*.

Correcting Trailer Totals

If trailer counts for any organization in the Employee Master File are out of balance, processing in certain programs is terminated. To correct the trailer counts, enter an IU transaction, execute the Employee Master Utility program, and resume processing.

Example

This example selects the Correct Trailer Counts option.

Position	Field Name	Field Value
1-2	TRAN CODE	IU
3-17	RESERVED	
18	CREATE MASTER	
19	FILE CONTROL	
20	INITIALIZE MASTER	
21	CORRECT TRLR	*
22	CREATE PAY DETL	
23-80	RESERVED	

Test Date Processing Override

A facility for overriding the system date in batch processing is provided. This date can be used to simulate a system date in the future or past in a **test** environment.

Warning: This override must not be used in production.

The date is stored in columns 86 through 93 of the AA1, T01-001 record on the Tables File. The date is established using the T01-001 transaction.

To establish the **Test** date:

- Process a T01-001 change
- Enter the appropriate future or past date in columns 52 through 59 of the transaction.

After the date is established, it will be used in batch processing when the system date is called. To reset the **Test** date to zeros, you must maintain the other three dates in the T01-001 transaction.

Use this override only in a **test** environment. A warning message will be generated on the Activity Report File Control Page for Validate, Update, and Compute if this date is used in processing.

2 Running the System

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Introduction

The HCM:E system processes payroll, personnel, and reporting functions when you enter **AA** run control data on Screen 11. You can create the transaction in batch as you would any other transaction in the system, or the system can generate the batch transactions for you. The AA transaction generator feature will be discussed later in this chapter. This transaction contains date information used to

- Print on check and registers
- Control DOE start and stop calculations
- Determine applicable tax formulas and parameters for tax calculations.

The AA transaction also contains indicators to

- Control the generation of automatic pay and deductions
- Control the generation of period-end reports such as State Quarterly Wage reports and W-2s
- Allow specified DOEs to be excluded from the clearing process with an AB transaction.
- Control the Monthly Employment Indicators that determine if employees are employed on the 12th day of the month for a pay period for regulatory reporting.

This chapter will discuss the use of these dates and indicators.

The Run Date

The Process Summary reports from processing system steps such as Validate, Update, and Generate will automatically use the computer date for the date the process was run. You use the AA transaction to specify the dates to print on other payroll reports such as checks, deposit advices, Payroll Register, and DOE Register.

Period-End Dates

The period-end dates on the AA transactions are used to print on checks and reports and activate DOEs within the cycle. The period-end date is also used to determine the EI/QPIP pay period for Canadian organizations.

Check Dates

The check dates represent the effective date of the check. This date is used in determining applicable tax formulas and rates and maximums for Social Security/Medicare, FUI, SUI, CPP, QPP, EI, and QPIP accumulators.

The dates you specify on the AA transaction are stored on the Employee Master File for the duration of this run and are accessed as required for printing on checks and reports. When the next cycle is processed, the dates in the new AA transactions for the new cycle replace the dates contained in the Employee Master File from the previous cycle run.

Pay Period Code

The four pay period codes on the AA transaction represent the four pay frequencies available in the system. These codes are used to determine whether automatic pay or deductions, or both, apply to each employee being processed in this run, and they are used with the 12th Day Indicators to set Tax Authority Supplement 1 Monthly Employment Indicators for Quarterly Tape Reporting.

Stage	Description
Weekly	Indicates which weekly cycle of the month is being paid in this run. Enter **0** to indicate this is not a weekly cycle, or enter **1** to indicate the first weekly cycle, **2** for the second weekly cycle, and so on. When a weekly cycle is indicated, the system determines whether to generate automatic pay and whether to process each individual DOE for an employee in this cycle.
Biweekly, Semimonthly, Monthly	These codes activate the same processing as for weekly cycles for organizations and employees paid in these pay frequencies.
Period End Code	This code activates sick and vacation accruals (M). For State Quarterly Wage Reporting, the period-end code must be set to Quarter (**Q**). For year-end reports such as W-2s, 1099-Rs, T4s, and Relevés, the period-end code must be set to Year (**Y**).

Note: **The pay period codes entered on the AA transaction control only the processing of automatic pay and automatic DOEs.** Any time entry transactions submitted for any employee are accepted, processed, and paid regardless of the content of the pay period codes on the AA transaction. Transactions entered to generate ACH prenotification are processed regardless of the employee's pay frequency and the pay frequency entered on the AA transaction.

Period Start Code

This code is used to clear accumulators at the beginning of a new year (Y). The Period Start Code of **Y** (Year) is then used with other organization control options to clear ACA data and to delete terminated employees, inactive DOEs, and inactive tax accumulators from the Employee Master File.

Clear to-Date Code

This code is used to clear month-, quarter-, and year-to-date accumulators for all employees in the Employee Master File within the organization being processed. This is also used to clear the Monthly Employment Indicators in an employee's Taxing Authority Supplement 1.

Clearance Exceptions

This code is used to clear, or exempt from clearing, specific DOE accumulators on an exception basis. It also controls vacation accumulators for employees in Canadian organizations. The accumulators to clear (or not clear) on an exception basis are entered in the DOE Clearance Exceptions fields on the AB transaction.

DOE Clearance Exceptions on the AB Transaction

This field is used to identify up to 32 DOEs or Canadian vacation accumulators you want to clear on an exception basis. This feature can be used for DOEs accumulated on a fiscal year schedule while payroll is processed on a calendar year schedule.

By using the DOE Clearance Exceptions field with the Clear to-Date code, you can accomplish virtually any combination of clearing or not clearing to suit your needs.

You might want to use this feature for some of the following DOE accumulators:

- United Fund deduction on a cycle coinciding with the annual campaign.
- Christmas Club deductions on a December 1 through November 30 schedule.

12th Day Indicators

The 12th Day indicators are used with the Pay Period codes to set Tax Authority Supplement 1 for Monthly Employment indicators.

CPP/QPP Exemption Override Indicators

These fields are used with the Pay Period codes to indicate that no exemption should be applied to CPP/QPP calculations, which might be appropriate in an off-cycle or extra pay period.

Generating the AA Transaction

The system can create multiple AA transactions when you enter one AA transaction. The generated AA transactions will be identical to the transaction you entered except for the level 1-level 2 code. Use this feature only if all fields in the AA transaction you entered apply to each level 1-level 2 you want an AA transaction generated for.

Step	Action
1	Establish a file containing a reference to each level 1-level 2 you want to generate an AA transaction for. You will need to ask your technical staff to help with this.
2	Enter an AA transaction with all the information you want on the generated transactions, but enter the level 2 as **.
3	The system then generates AA transactions for each organization in the reference file that has the same level 1 you entered on the AA.

Warning: If the system cannot match the level 1 you entered with a level 1 in the reference file, the AA transaction will be processed without generating any AA transactions.

If you entered ** in both the level 1 and level 2 code on your AA transaction, no AA transactions will be generated.

HRMS Tables File

Screen 301 is used to enter the personnel user-coded fields on the HRMS Tables File.

Translation Fields

The following translatable fields are available:

- Geographic Preference
- Religious Preference
- Residence Type
- Field of Study
- Degree
- Group Health Insurance Type
- General Health
- Transfer Reason
- Termination Reason
- Rehire Consideration
- Leave of Absence Type
- Salary Change Reason
- Promotional Readiness
- Skill Function and Subfunction
- Skill Proficiency Level

The translations print on HCM:E reports and Position Control module reports.

Using the T66 transactions, you can enter the translation through batch. The translations must be added to the HRMS Tables file before they can be used them for setting up an employee.

User Translatable Fields

HCM:E provides code and translations on the HRMS Tables File for all fields except degree and group health insurance type. The provided code values and translations can be added to, changed, or deleted to suit your requirements. (See Code Values in the HRMS Tables File section in the System Overview chapter of this guide.)

The fields available for HCM:E code translations are listed in the following table with the field numbers to use on the T66 transactions. The following information is also included in this table:

- The number of characters used for the field on the Employee Master File.
- The number of characters allowed for the translation.
- The employee-level transaction you enter to update the field on the Employee Master File.

Field Name	Field Number	Number of Field Positions	Number of Translation Positions	Employee Transaction
Degree	E07008	3/4*	20	PF2, PF3
Field of Study	E07010	3/6**	16	PF2, PF3, PF4
General Health	613034	2	9	PG4
Geographic Preference	606009	2	15	PF1
Group Health Insurance Type	608011	1	10	PF8
Leave of Absence	615028	2	16	PH2
Proficiency Level	E11004	1	14	PV3
Promotional Readiness	609042	2	14	PV2
Rehire Consideration	615027	1	20	PH2
Religious Preference	606020	1	10	PF1
Residence Type	606010	1	30	PF1

(continued)

Field Name	Field Number	Number of Field Positions	Number of Translation Positions	Employee Transaction
Salary Change Reason	E1004	2	15	PV1
Skill Function	E11001	2	27	PV3
Skill Subfunction	E11001	3	27	PV3
Termination Reason	615026	2	16	PH2
Transfer Reason	E12011	2	16	PH1

* 3 on the Employee Master

** 3 for Higher Education Field of Study

6 for Training School Field of Study

Skills Functions and Sub-Functions

Function 01: Architectural Engineering

Code	Sub-function
101	Design
102	Stress Analysis
103	User defined
104	User defined
105	User defined
106	User defined

Function 02: Aeronautical Engineering

Code	Sub-function
101	Airborne Vehicle Design
102	Airframe Structural Design
103	Flight Simulation
104	Flight Instruments
105	Flight Test Analysis
106	Ground Support Systems
107	Guidance Control Systems
108	Missile Systems
109	Navigation Systems
110	Propellants
111	Space Vehicles
112	Space Systems
113	Specifications & Standards
114	Stability & Control
115	User defined
116	User defined

Function 03: Electrical Engineering

Code	Sub-function
101	Amplifiers
102	Antennas
103	Audio Systems
104	Batteries
105	Circuit Design-testing
106	Communications Systems
107	Component Design-testing
108	Control Panels
109	Design Automation
110	Electrical Contracts
111	Electric Motors
112	Electrical Contracting
113	Electro-mech Energy Conversion
114	Electro-Mechanical Systems
115	Energy Transmission
116	Illumination
117	Laser
118	Management
119	Magnetic Measuring
120	Microwave Technology
121	Power Conversion
122	Power Generation
123	Radar Systems
124	Receivers
125	Safety Engineering
126	Sonar
127	System Checkout & Debugging
128	System Design Evaluation
129	Telemetry Systems

(continued)

Code	Sub-function
130	Test Equipment Design
131	Transmission Lines
132	Transmitters
133	Video Systems
134	User defined
135	User defined
136	User defined
137	User defined
138	User defined

Function 04: Civil Engineering

Code	Sub-function
101	Airport Construction, Planning
102	Construction, General
103	City Planning
104	Drafting
105	Highway Construction
106	Highway Planning
107	Hydraulics
108	Irrigation Systems
109	Purification Systems
110	Railroad Construction
111	Sanitary Engineering
112	Sewage Disposal
113	Structures
114	Traffic Study Design
115	Water Distribution
116	User defined
117	User defined
118	User defined

Function 05: Ceramic Engineering

Code	Sub-function
101	Abrasives
102	Adhesives
103	Alloys
104	Carbides
105	Castings/Forgings
106	Catalysts
107	Chemical Processes
108	Coatings
109	Colorings
110	Corrosives
111	Dialectrics
112	Enzymes
113	Epoxies
114	Etching Methods
115	Geochemistry
116	Hydrometallurgy
117	Kinetics
118	Lamination
119	Materials Separation
120	Oxidation
121	Semiconductors
122	Silicones
123	Thermal Analysis
124	User defined
125	User defined

Function 06: Mechanical Engineering

Code	Sub-function
101	Acoustics
102	Automotives
103	Component Design-Test
104	Energy Conversion
105	Equipment Justification
106	Heating/Air Conditioning
107	Human Factors Engineering
108	Hydraulics
109	Instrumentation
110	Lubrication
111	Machine Design
112	Management
113	Materials Analysis
114	Mechanical Actuators
115	Mechanical Analysis
116	Mechanical Contracting
117	Mechanical Controls
118	Mechanism Design
119	Packaging Systems
120	Pneumatics
121	Power Generation
122	Power Transmission
123	Refrigeration
124	Safety Engineering
125	Specifications & Standards
126	Stress Analysis
127	Structural Design
128	Theoretical Mechanics
129	Vacuum Systems

(continued)

Code	Sub-function
130	Welding/Brazing
131	User defined
132	User defined
133	User defined
134	User defined
135	User defined

Function 07: Chemical Engineering

Code	Sub-function
101	Abrasives
102	Adhesives
103	Air Pollution
104	Alloys
105	Catalysts
106	Corrosives
107	Dyes/Inks
108	Evaporation
109	Foods
110	Gasses
111	Heat/Fluid Flow
112	Industrial Hygiene
113	Isotopes
114	Kinetics
115	Lamination
116	Lubricants
117	Materials Analysis
118	Microchemistry
119	Nuclear Fuels
120	Petroleum Refining

(continued)

Code	Sub-function
121	Pharmaceuticals
122	Photochemistry
123	Photosynthesis
124	Plastics
125	Polymers
126	Processing Techniques
127	Rubber Products
128	Solvents
129	Specifications & Standards
130	Synthetics
131	Thermal Analysis
132	User defined
133	User defined
134	User defined

Function 08: Mining-Petroleum Engineering

Code	Sub-function
101	Core Analysis
102	Electrical Prospecting
103	Exploration
104	Extraction
105	Gravity Prospecting
106	Mine Layout
107	Mud Analysis
108	Refining Systems
109	Safety Engineering
110	Seismic Prospecting
111	Surveying
112	User defined
113	User defined

Function 09: Metallurgical Engineering

Code	Sub-function
101	Abrasives
102	Alloys
103	Catalysts
104	Chemical Processes
105	Coolants
106	Corrosives
107	Electrometallurgy
108	Etching Methods
109	Finishes
110	Foundry Methods
111	Heat Flow
112	Hydrometallurgy
113	Liquid Metals
114	Lubricants
115	Magnetic Materials
116	Oxidation
117	Physical Metallurgy
118	Property Analysis
119	Specifications & Standards
120	Stress Analysis
121	Thermal Analysis
122	User defined
123	User defined

Function 10: Industrial Engineering

Code	Sub-function
101	Automation Planning
102	Compensation Evaluation
103	Cost Control
104	Facilities Layout
105	Fire Prevention
106	Forecasting
107	Incentive Methods
108	Industrial Hygiene
109	Inventory Analysis
110	Job Environment Analysis
111	Production Methods
112	Production Schedules
113	Quality Control
114	Safety Engineering
115	Specifications & Standards
116	Time/Motion Evaluation
117	Work Measurement
118	Work Simplification
119	User defined
120	User defined
121	User defined

Function 11: Agricultural Engineering

Code	Sub-function
101	Farm Advising
102	Farm Machines
103	Farm Structure Engineering
104	Fire Protection
105	Pest Control
106	Rural Road Engineering
107	Soil Conservation
108	Water Conservation
109	User defined
110	User defined
111	User defined

Function 12: Nuclear Engineering

Code	Sub-function
101	Environmental Analysis
102	Industrial Hygiene
103	Isotope Production
104	Neutron Production
105	Power Generation
106	Radiation Analysis
107	Reaction Design
108	Safety Engineering
109	Specifications & Standards
110	Power Generation
111	Propellants
112	Warheads
113	Weapons Systems
114	User defined
115	User defined
116	User defined

Function 13: Engineering - Other

Code	Sub-function
101	Astronomy
102	Astrophysics
103	Cartography
104	Celestial Mechanics
105	Drafting
106	Highway Engineering
107	Hydrography
108	Layout Design
109	Marine Engineering
110	Mineral Engineering
111	Optics
112	Ordnance
113	Packaging
114	Photography
115	Radio Astronomy
116	Refrigeration
117	Surveying
118	Technical Illustrations
119	Topography
120	Vacuums
121	User defined
122	User defined
123	User defined
124	User defined

Function 14: Mathematics

Code	Sub-function
101	Actuarial Science
102	Applied Mathematics
103	Research Mathematics
104	User defined
105	User defined
106	User defined
107	User defined

Function 15: Life Sciences

Code	Sub-function
101	Animal Husbandry
102	Biology
103	Botany
104	Dairy Management
105	Dairy Systems
106	Entomology
107	Forestry
108	Genetics
109	Horticulture
110	Neurology
111	Pharmacology
112	Physiology
113	Psychology
114	Public Health
115	Range Management
116	Soil Conservation
117	Zoology
118	User defined
119	User defined
120	User defined

Function 16: Social Sciences

Code	Sub-function
101	Agricultural
102	Anthropology
103	Archeology
104	Criminology
105	Demographics
106	Economics, General
107	Financial Economics
108	Geography, General
109	Home Economics
110	Industrial Economics
111	Industrial Sociology
112	International Trade
113	Labor Economics
114	Macroeconomics
115	Microeconomics
116	Pathology
117	Penology
118	Political Services
119	Social Services
120	Sociology
121	Tax Economics
122	User defined
123	User defined
124	User defined

Function 17: Medicine

Code	Sub-function
101	Anesthesiology
102	Biochemistry
103	Cardiology
104	Chiropractics
105	Cytotechnology
106	Dentistry, General
107	Dentistry, Specialist
108	Dermatology
109	Dietetics
110	Educational Medicine
111	General Medicine
112	General Surgery
113	Gynecology
114	Hematology
115	Microbiology
116	Neurology
117	Nursing
118	Nursing Education
119	Obstetrics
120	Ophthalmology
121	Optometry
122	Otolaryngology
123	Pediatrics
124	Pharmacology
125	Proctology
126	Psychiatry
127	Public Health
128	Radiology
129	Urology

(continued)

Code	Sub-function
130	Veterinary Medicine
131	User defined
132	User defined
133	User defined

Function 18: Education

Code	Sub-function
101	Archives
102	Audio/Visual Aids
103	Classifying
104	College or University
105	Commercial Art
106	Early Childhood Development
107	Education, Other
108	Librarian, Film
109	Librarian, General
110	Librarian, Medical Records
111	Librarian, Special Collections
112	Museum Experience
113	Physical Education
114	Pre-School
115	Primary Education
116	Public School Art
117	Public School Music
118	Rehabilitation
119	Secondary Education
120	Special Education
121	User defined
122	User defined
123	User defined

Function 19: Arts

Code	Sub-function
101	Athletics
102	Dancing
103	Drama
104	Music
105	Painting
106	Photography
107	Sculpting
108	Theater
109	User defined
110	User defined
111	User defined

Function 20: Law

Code	Sub-function
101	Appeals
102	Civil Law
103	Corporate
104	Criminal Law
105	Customs/Tariff
106	Insurance
107	Judiciary
108	Juvenile Law
109	Patents
110	Probate
111	Real Estate
112	Tax
113	User defined
114	User defined
115	User defined

Function 21: Accounting

Code	Sub-function
101	Auditing
102	Bookkeeping
103	Budget Analysis
104	Budget Preparation
105	Budgeting
106	Cost Accounting
107	Machine Processing
108	Management, Accounting
109	Payables
110	Receivables
111	Payroll
112	Tax Accounting
113	Accounting, General
114	User defined
115	User defined
116	User defined
117	User defined

Function 22: Data Processing

Code	Sub-function
101	ALGOL
102	Autocoders/Assemblers
103	COBOL
104	Compilers
105	Data Base Design
106	Data Base Management
107	Data Entry Methods
108	Forms Design
109	FORTRAN
110	Hardware Design
111	Interface Systems

(continued)

Code	Sub-function
112	Linear Programming
113	Management, Operations
114	Management, Systems & Programming
115	Operations Research
116	Operator, Computer
117	Operator, Keying
118	Operator, Unit Record
119	PL/1
120	Program Analysis/Evaluation
121	Programming, Commercial
122	Programming, General
123	Programming, Scientific
124	RPG
125	Simulators
126	Software Design
127	Systems Analysis Evaluation
128	Systems Design
129	Tape Librarian
130	Teleprocessing
131	Utilities/Sort/Merge
132	User defined
133	User defined
134	User defined
135	User defined
136	User defined
137	User defined

Function 23: Office/Clerical

Code	Sub-function
101	Accounting
102	ADP Equipment
103	Appointments
104	Billing Machines

(continued)

Code	Sub-function
105	Bookkeeping
106	Cashier
107	Collections
108	Counter Sales
109	Counter Services
110	Dictation Transcription
111	Duplicating Machines
112	Filing
113	General Office
114	Interviewing
115	Inventory Control
116	Investigating
117	Mail Sorting/Delivery
118	Office Machines, General
119	Printing
120	Receptionist
121	Shorthand
122	Stenography
123	Telephone Operator
124	Typing
125	User defined
126	User defined
127	User defined
128	User defined

Function 24: Business

Code	Sub-function
101	Advertising
102	Benefit Programs
103	Buying
104	Commercial Sales

(continued)

Code	Sub-function
105	Compensation Evaluation
106	Employee Relations
107	Industrial Relations
108	Industrial Sales
109	Job Analysis
110	Position Classification
111	Production Management
112	Public Relations
113	Residential Sales
114	Training Methods
115	Administration, General
116	User defined
117	User defined
118	User defined

Function 25: Insurance

Code	Sub-function
101	Accident
102	Automobile
103	Claims Adjusting
104	Fire
105	Group Health
106	Group Life
107	Individual Health
108	Individual Life
109	Liability
110	Natural Disaster
111	Personal Property
112	Theft
113	User defined
114	User defined
115	User defined
116	User defined

Function 26: Marketing

Code	Sub-function
101	Advertising, General
102	Management, Advertising
103	Management, Market Promotion
104	Management, Market Research
105	Management, Sales
106	Marketing Promotion
107	Marketing Research
108	Retail Sales
109	Wholesale Sales
110	User defined
111	User defined
112	User defined
113	User defined

Function 27: Taxes

Code	Sub-function
101	Excise Taxes
102	Federal Income Taxes
103	Franchise Taxes
104	Property Taxes
105	Sales Taxes
106	State and Local Income Taxes
107	Taxes, Filing
108	Taxes, General
109	Taxes, Management
110	User defined
111	User defined
112	User defined
113	User defined

Codes for Major and Minor Fields of Study

Code	Field
001	Accounting
002	Actuarial Science
003	Adult Education
004	Aeronautical Engineering
005	Agriculture
006	Allied Health Sciences
007	Architecture
008	Art
009	Biology
010	Botany
011	Business Administration
012	Business, General
013	Chemical Engineering
014	Chemistry
015	Civil Engineering
016	Computer Sciences
017	Counseling & Guidance
018	Criminal Justice
019	Data Processing
020	Drama
021	Early Childhood Development
022	Economics
023	Education
024	Electronic Data Processing
025	Electrical Engineering
026	Elementary Education
027	Engineering
028	English
029	Finance
030	Foreign Languages

(continued)

Code	Field
031	Forestry
032	Geography
033	Geology
034	Government
035	History
036	Home Economics
037	Industrial Engineering
038	Industrial Relations
039	Information Science
040	Insurance
041	International Business
042	Journalism
043	Law
044	Literature
045	Management
046	Marketing
047	Mathematics
048	Mechanical Engineering
049	Medicine
050	Metallurgical Engineering
051	Mining Engineering
052	Music
053	Nursing
054	Nursing Education
055	Performing Arts
056	Personnel
057	Petroleum Engineering
058	Pharmacology
059	Pharmacy
060	Philosophy
061	Physical Education

(continued)

Code	Field
062	Physical Therapy
063	Physics
064	Physiology
065	Political Science
066	Psychology
067	Public Health
068	Real Estate
069	Religion
070	Science
071	Secondary Education
072	Social Sciences
073	Sociology
074	Speech
075	Theater
076	Urban Life
077	Vocational Education
078	User defined
079	User defined
080	User defined
081	User defined
082	User defined
083	User defined

HRMS Code Translations

Geographic Preference

Code	Location
01	Northeast
02	South
03	Mountain States
04	Southwest
05	Pacific Coast
06	Midwest
07	North & South America
08	Europe
09	Africa
10	Southeast
11	Asia & Pacific
12	Northwest

Residence Type

Code	Type
1	Own
2	Rent - Single Family Dwelling
3	Apartment
4	Other

Religious Preference

Code	Preference
1	Protestant
2	Catholic
3	Jewish
4	Mormon
5	None
6	Other

Promotional Readiness

Code	Type
01	Promotable
02	Not Promotable
03	Conditional

General Health

Code	Type
01	Poor
02	Fair
03	Good
04	Excellent
05	Handicap
06	Disabled

Rehire Consideration

Code	Consideration
1	Yes
2	No
3	Provisional
4	Probation

Leave of Absence Reason, Termination Reason, Transfer Reason

Code	Reason
01	Resignation
02	Layoff
03	Maternity
04	Military
05	Education
06	Transferred
07	Performance
08	Deceased
09	Retired
10	Promotion
11	Demotion
12	Work Quality
13	Moved
14	Married
15	Disliked Work
16	Disliked Company
17	Health
18	Other

Workforce Utilization Statistics Information on the HRMS Tables File

The WFU information can be entered only through batch processing. The T61 transaction has three multiple records. These are T61-001, T61-002, and T61-003. The T61 series of transactions stores employee statistics by protected class for the Workforce Utilization Analysis Report. The statistics can be actual numbers or percentages of total employees.

The T63-000 transactions are used to define code translations for the Workforce Utilization Reports.

Transferring an Employee

Employees can be transferred from one level 1-level 2 to another using the Employee Transfers program (P1P99M). To use this program, a TD control transaction must be supplied to specify whether to transfer the month-to-date and quarter-to-date accumulations to the new level 1-level 2.

For each employee to transfer, a TR control transaction must be supplied giving the old level 1-level 2 and employee number and the new level 1-level 2 and employee number. There is also an option to delete the old records or just flag them as inactive.

The Employee Transfer program creates maintenance and adjustment transactions that delete or inactivate the old employee master record and build a new Employee Master File record for the new level 1-level 2. These transactions are then input into the next processing cycle where both update and compute are run.

Because a PH-1 transaction is generated by the Employee Transfer program to update the personnel transfer information, it is recommended that a transfer reason code and transfer date be entered on the TR transaction.

Using Recycled Input Feature

Transaction Load (PLP200) has a facility to store any input transactions entered, accumulate successive batches, and allow you to correct any data previously entered. It is designed to be run with the Validate program (PLP400) as many times as necessary to ensure that all data is correctly entered before running the rest of the HCM:E system.

When transactions are first loaded, a sequence number is assigned to the transaction and prints on the right side of the Transaction Validation report (PRP400). This sequence number is used for processing corrections to transactions that have already been loaded and validated but not yet updated in the system. The sequence number is also printed on the Transaction Input Listing (PRP200-01) for 120-character transactions.

Corrections to previously entered data can be made using the 120-character transaction formats in Transaction Descriptions to replace an entire transaction, delete an entire transaction, or replace a field (on the ZT or ZV transactions only). The sequence number, preceded by a blank and followed by D*, R*, or F* (delete, replace, or field change), is entered in the corrections transaction in positions 8-16, preceded by the Transaction code and Level 1 and 2. The rest of the transaction (positions 17-120) is in the 120-character format of the transaction being corrected. Corrections must be sorted using the PXP01S sort parm before being used as input to Load. Corrections input data name is PWP04S.

The corrections entries are matched to entries on the Loaded Transaction File for recycling them or merged with new input transactions, or both, in a single execution of the Transaction Load program (PLP200). New 80-character input, if found, must follow the IC input control transaction (required) and will be expanded into 120-characters in the loaded transactions output file, and alternately or additionally 120-character input can be entered.

If the IC transaction contains **T** or **B** in position 20, new 120-character input will also be merged with any recycled input, any corrected or recycled input, and expanded 80-character input in a new loaded transactions output file.

D* Transaction

To delete an entire transaction from the batch loaded transaction file, enter a D* transaction. The format of a D* transaction is as follows:

Position	Field Name	Description
1-2	Transaction code	Transaction code of the transaction
3-4	Level 1	Required
5-6	Level 2	Required
7	Reserved	Blank
8-14	Transaction Sequence Number	Assigned sequence number that prints on the right side of the Transaction Validation report (PRP400)
15-16	Delete Function	Constant D*
17	Transaction Separator	Separator code of the transaction to delete if applicable
18-120	Reserved	Blank

R* Transaction

To replace the data on a transaction from the batch loaded transaction file, an R* transaction is entered:

Position	Field Name	Description
1-2	Transaction code	Transaction code of the transaction
3-4	Level 1	Required
5-6	Level 2	Required
7	Reserved	Blank
8-14	Transaction Sequence Number	Assigned sequence number that prints on the right side of the Transaction Validation report (PRP400)
15-16	Replace Function	Constant R*
17	Transaction Separator	Separator code of the transaction to replace if applicable
18-120	Replacement Transaction	Format the data to match the 120-character format of the transaction being replaced. See the 120-character format of the transaction description for the transaction being replaced. All data you need on this transaction must be entered. It is a total replacement of the transaction.

F* Transaction

To change a specific field on a ZT or ZV transaction only, enter an F* transaction. The format of the F* transaction is as follows:

Position	Field Name	Description
1-2	Transaction code	Transaction code of the ZT or ZV transaction to change
3-4	Level 1	Required
5-6	Level 2	Required
7	Reserved	Blank
8-14	Transaction Sequence Number	Assigned sequence number that prints on the right side of the Transaction Validation report (PRP400)
15-16	Change Function	Constant F*
17-120	Changed fields	Format the data to match the 120-character format of the ZT or ZV transaction. See the 120-character format of the transaction description for the transaction. Enter only the fields with data to be changed from what is currently found in the batch loaded transaction file. All other fields will remain unchanged.

Time Entry Proof List

The Time Entry Proof List (PRR300) can also be used to check time entry transactions, making corrections runs until all corrections have been made.

Using ACH and Banking Services

The ACH feature of the HCM:E Payroll system gives you the capability to maintain a growing number of ACH accounts for employees. You can maintain up to 20 accounts for each employee. This information is stored in the 410 - 419 segments in the Employee Master File.

You can use any combination of deposits for your employees including checking accounts, savings accounts, and child support payments. Miscellaneous checking and savings deductions are available to process as ACH deposits. Miscellaneous deductions are not considered part of Net Pay. For example, this type of ACH DOE might be the direct deposit of an insurance payment or 401(k) contributions.

The specifications used to create the ACH features were developed according to the standards published by the National Automated Clearing House Association (NACHA) Systems/Operations Committee. The standards publication can be obtained from:

National Automated Clearing House Association
1120 Connecticut Avenue, NW
Washington, DC 20036

Amount Size Considerations

Maximum size of a deposit amount on the ACH Tape is a 10-position, zoned field, or 99,999,999.99. The maximum size of a deduction in the HCM:E system is now 1 position larger. If the amount is too large, the ACH Audit/Error report will issue a warning saying the amount of the deposit is too large, and it is dropped from the tape. This keeps the employee from receiving an incorrect deposit amount and allows the employer to break the deposit into two separate amounts to accommodate the ACH limitation. A first and second checking DOE assigned to the same account will take care of this situation.

More Information

This section provides overview information. Detailed information about transactions and messages is in *Transaction Descriptions* guide. Screen information is in the S*creen Reference Guide*. Additional information is in the current ACH Resources topic on the Infor Support Portal.

Setting Up Direct Deposit

This section summarizes how to set up direct deposit.

Transactions

The required transactions are listed here.

HRMS Table File Transactions

Information	Transaction/Screen
For each ACH Tape to create	TW/305
Organization (for each level 1-level 2)	DOE-001, TA, TX, TY /306, 331, 304, 369
Check Writer	TH1-001 (per L1L2), TH2-001 (perform) /308, 309
Report Generator	AD/311
Report Print	AE/312
Produce ACH Tape	SRM-001/336

Employee Master File Transactions

Information	Transaction/Screen
Organization	CS-1/11 CP (optional)/10
Employee	NF/RF/740 - 749 and 224 NK/RK/53/54 and 216, 217, 225

Print Reports

Information	Transaction/Screen
Report Generator	AD/311
Print Checks/Deposit Advices	CS-1/11

Steps

Step	Action
1	Set up ACH/Banking Services information in the HRMS Tables File for each organization using DOE-001, TA, TX, and TY transactions.
2	Set up information in the HRMS Tables File for each ACH tape on TW transaction.
3	Set up information in each employee record on NF/RF and NK/RK transactions.
4	Set up information for Check Writer, Report Generate, and Report Print using TH1-001, TH2-001, AD, AE, and CS-1 transactions.
5	Run the optional Prenote process and verify results.
6	Produce ACH tapes using the SRM001 transaction and reporting process.

Establishing an IRA

An IRA deduction is available as part of automated bank services. Use an ACH/Banking Services type 1 or 2 deduction at the organization level to establish an IRA DOE.

The DOE type code and taxing options (DOE-001) establish the deduction as

- An excludable deduction for deposit to an IRA account
- A normally taxable direct deposit deduction to a checking account, or
- A savings account.

The procedures for establishing IRA accounts are the same as for establishing any automated bank deposit.

Prenotification

Prenotification is creating a test or zero record and following it through the ACH function. The purpose is to check the information before actual processing begins. The bank identification information and employee account numbers should be verified. You should establish prenotifications for cycles that are processed before the ACH deductions start date.

Start Date Not Entered

However, if a start date is not entered for a DOE that is being prenoted, the Compute process will calculate and set a start date for the DOE based on the employee's pay frequency, the number of prenotes, and the period end date on the current AA transaction as follows:

Period End Date	Description
Weekly	Pay Period End Date + 7(x) where x is from the prenote code value Px going into the cycle.
Bi-weekly	Pay Period End Date + 14(x) where x is from the prenote code value Px going into this cycle.

(continued)

Period End Date	Description
Semi-monthly	The start date is calculated differently for an odd and an even Px (prepay code) value. For an odd number of Px value: If the pay period end day is greater than 27, the start month is: Pay Period End Month + x/2 + .5, where x is from the prenote code value Px going into this cycle. The start day is set to the 15th of the start month. If the pay period end day is less than 28, the start month is: Pay Period End Month + x/2 (truncated if a fraction), where x is from the prenote code value Px going into this cycle. The day is the last day of the start month. For an even number Px value: If the pay period end day is greater than 27, the start month is: Pay Period End Month + x/2, where x is from the prenote code value Px going into this cycle. The day is the last day of the start month. If the pay period end day is less than 28, the start month is: Pay Period End Month + x/2, where x is from the prenote code value Px going into this cycle. The day is the same day as the pay period end day.
Monthly	If the pay period end day is greater than 27, the start month is: Pay Period End Month + x, where x is from the prenote code value Px going into this cycle. The day is the last day of the start month. If the pay period day is less than 28, the start month is: Pay Period End Month +x, where x is from the prenote code value Px going into this cycle. The day is the same day as the pay period end day.

Required Information

This feature is an interface to the ACH function. The system requires identification at both the organization and the employee level. If all steps are not entered properly, the direct deposit functions will not process correctly. If the employee account number is not entered or the account type code is not entered, the banking service DOE is not accepted at the employee level. If the bank identification information is not properly established in the HRMS Tables File, the ACH Audit Report reflects the discrepancies in detail.

Running the Check Writer

The check writer feature of the HCM:E system provides all the functions you need to produce accurate payments on a variety of check/deposit advice forms. It also prints a wide range of standard and optional information on your earnings statements. Audit reports provide information to allow you to control check writer activities effectively.

Restart capabilities allow you to recover from machine failure or other abnormal halts during the execution of the programs. Supplemental user records allow you to capture and print information not found in the check/deposit records. This section discusses all of these functions and how to perform them.

Organization

This section is organized as follows:

Topic	Description
Transaction Summary	Defines the screens and transactions you need to run the check writer.
Set up Information	Describes the information and the steps you follow to complete the setup phase for producing checks.
Optional Decisions	Discusses the optional information you can provide on your earnings statements and checks/deposit advices.
Control/Audit Reports	Describes the reports you can use for control and audit purposes.
Restart Procedures	Describes the steps you need to follow to restart the check writer.

Transaction Summary

The screens and related transactions used to provide the information for the check writer system are listed in the following tables:

HRMS Tables File

Screen	Transaction	Function
308	TH1-001	Establishes the check and/or deposit advice forms you will use for each organization (level 1-level 2) in your company.
309	TH2-001	Establishes ties for the form number to the appropriate check and/or deposit advice format option.

Employee Master File

Screen	Transaction	Function
14 (US) 13 (CAN)	AA	Contains period end dates, check dates, and pay period codes for each level 1 - level 2.
11, 9	CS1	Contains check writer print options
219, 222 731 43 (US) 39 (CAN)	NJ/RJ SF/SG	Provides an alternate check/cheque address if the check/deposit advice is to be mailed to an address other than the home address. Also contains the forms indicator to tell the system to print an employee's check/deposit advice on a form different from other employees in the level 1 - level 2. **Caution:** You must select **Yes** for Assign Form Number by Employee on the CS1-Data transaction to use form indicator for an employee. **Note:** Employee address lines and alternate check address lines are compressed to take advantage of postal discounts.
95	ZD	Contains optional pay period begin dates.
94	ZM	Contains optional organizational message.
94	ZN	Contains optional employee message.

Check Writer Control

Screen	Transaction	Function
N/A	CW1	Contains beginning and ending check/deposit advice numbers and restart information (when necessary).
N/A	CW2	Contains additional check/deposit advice numbers.
N/A	SP	Contains the print control information for the check writer spool.

Report Generate

Screen	Transaction	Function
311	AD	Contains the options to generate checks and deposit advices. **Note:** Checks cannot be generated from the Employee Master File. The input master must be the Payroll Reporting Detail File. You **must** generate current and year-to-date Payroll and DOE Register data to get deposit advices and DOE descriptions on your checks.

Definitions

Term	Description
Form	Any unique check or deposit advice paper stock. A form can be different in physical layout or format (such as earnings statement left/check right), color, or bank on which it is drawn.
Form Number	A unique, 4-character alphanumeric you assign to each form for identification purposes. You define the form number in the HRMS Tables File.
Form Indicator	A code used to define employee exceptions to the check/deposit forms used for a level 1 - level 2.
Format	The physical layout of a form; for example, earnings statement over/check or deposit advice under.
Print Queue	The place where print-ready check and deposit advice images are stored for later printing on the appropriate form. Each form number is assigned to a print queue at run time.

Setup Procedures

Complete the following steps to set up organization information you need to process the Check Writer. Detailed information about each step follows this table.

Step	Action
Identify Forms	Complete Screen 308 (TH1-001 and TH2-001 transactions) to identify forms/formats for each organization (level 1-level 2).
Set Up Pay Dates	Complete screens 13 and 14 (AA transaction) for each organization identifying that organization's pay period end dates, check dates, and pay period codes (weekly, monthly, and so on).
Set Up Print Options	Complete screens 11 and 9 (CS1 transaction) for each organization to define the standard print options.

Identify Forms

You must identify forms before you can run the Check Writer. All fields on Screen 308 (TH1-001 and TH2-001) must be completed.

The following format options are available. Each option can be for a check (C) or a deposit (D) advice. For example, format 1C means option 1 for a check, and format 1D is option 1 for a deposit advice.

Option	Description
1	Check/deposit self-mailer (3 1/2 inch)
2	Earnings statement left, check/deposit right (3 1/2 inch)
3	Earnings statement over, check/deposit under (3 1/2 inch)
4	Check/deposit over, earnings statement under (3 1/2 inch)
6	Detail earnings information only. Unsummarized output file.
7	Laser Print, 8 1/2 x 11 expanded format check

Crossing Levels

The form identified on the TH1-001 transaction is tied to a specific level 1-level 2. If you will be using the same check or deposit advice form or both for all level 1-level 2s, you can enter asterisks (****) for the level 1 - level 2 on the TH1-001 transaction. If you choose this method, **all** other TH1-001 transactions in the HRMS Tables File will be overridden.

Example 1 for Batch Processing

It is suggested that you complete a TH1-001 transaction for each level 1-level 2 in your Employee Master File. You must enter a TH2-001 for each form number assigned on the TH1-001. If you have more than one level 1-level 2 using the same form, you need to enter only one TH2-001 for that form number.

These examples identify three different check forms and one common deposit advice form (showing 3 TH1001 transactions and 4 TH2001 transactions).

TH1 Transaction For Example 1

Position(s)	Field Name	Field Value
1-6	TRANSACTION CODE	TH1001 TH1001 TH1001
7-8	CONTROL LEVELS-L1	AA CC EE
9-10	CONTROL LEVELS-L2	BB DD FF
11	FORM IND	BLANK
12-25	RESERVED	
26-29	CHECK FORM NUMBER	CHK1 CHK2 CHK3
30-33	DEPOSIT FORM NUMBER	DEP1 DEP1 DEP1
34-79	RESERVED	
80	(not used in this example)	

TH2 Transaction For Example 1

Position(s)	Field Name	Field Value
1-6	TRANSACTION CODE	TH2001 TH2001 TH2001 TH2001
7-10	FORM NUMBER	CHK1 DEP1 CHK2 CHK3
11-25	RESERVED	

(continued)

Position(s)	Field Name	Field Value
26-27	FORM OPTION	3C 3D 3C 3C
28-29	NUMBER FORMS FOR ALIGNMENT	02 02 05 05
30-79	RESERVED	
80	(not used in this example)	

Form Indicator

The form Indicator field on the TH1-001 transaction is used to define exceptions within a level 1-level 2. If you use this Form Indicator, you must also complete corresponding CS1 and NJ/RJ transactions.

Example 2 for Batch Processing

In this example, all employees in a particular level 1-level 2 get green checks or deposit advices except the directors and vice presidents. The directors get blue checks or deposit advices or both. The vice presidents get white checks or deposit advices or both.

The CS1 for level 1-level 2s AABB and CCDD must contain * in position 73 to tell the system to assign the form number by employee. EEFF does not need the * because it does not use the Form Indicator.

Each of the directors in AABB and CCDD needs an NJ/RJ with **D** in position 75 and each vice president in AABB and CCDD needs an NJ/RJ with **V** in position 75.

TH1 Transaction For Example 2

Position(s)	Field Name	Field Value
1-6	TRANSACTION CODE	TH1001 TH1001 TH1001 TH1001 TH1001 TH1001 TH1001
7-8	CONTROL LEVELS-L1	AA AA AA CC CC CC EE
9-10	CONTROLS LEVEL-L2	BB BB BB DD DD DD FF
11	FORM IND	BLANK D V BLANK D D BLANK
12-25	RESERVED	
26-29	CHECK FORM NUMBER	CHK1 DCK1 VCK1 CHK1 DCK1 VCK1 CHK1

(continued)

Position(s)	Field Name	Field Value
30-33	DEPOSIT FORM NUMBER	DEP1 DDP1 VDP1 DEP1 DDP1 VDP1 DEP1
34-79	RESERVED	
80	(not used in this example)	

TH2 Transaction For Example 2

Position(s)	Field Name	Field Value
1-6	TRANSACTION CODE	TH2001 TH2001 TH2001 TH2001 TH2001 TH2001
7-10	FORM NUMBER	CHK1 DEP1 DCK1 DDP1 VCK1 VDP1
11-25	RESERVED	
26-27	FORM OPTION	3C 3D 3C 3D 3C 3D
28-29	NUMBER FORMS FOR ALIGNMENT	02 02 05 05 02 02
30-79	RESERVED	
80	(not used in this example)	

Set Up Pay Dates

You can set up your regular pay period end dates, the dates to print on checks/deposit advices, and pay period codes at the organization level. Complete screen 13/14 (AA Transaction) for each level 1-level 2 in your company.

Warning: Make sure that the pay period code is not zero. Zero indicates that the system should not process automatic pay or normal DOEs.

Generate Checks

Enter the option to generate checks on Screen 311 (AD transaction). You can define the generate options in the HRMS Tables File or enter the AD as a run time override.

Besides the option to generate checks, you must also select the options to generate current Payroll Register and DOE Register report records. These report records contain details you will need to print correct information on your checks and deposit advices.

Print Checks/Deposit Advices

To activate the printing of checks/deposit advices, enter the check/deposit advice number ranges and print queue assignments on the CW1 transaction. You must enter a CW1 transaction for each check and deposit advice form you want to print in this cycle.

Check Numbers

Specify the range of check or deposit advice numbers available in this cycle. If a break occurs in the sequence of numbers, you can specify a second range of numbers to use. If you need to specify more than two ranges of numbers, you can add up to ten more CW2 transactions to add one range of check numbers each. The beginning check number you enter is the first check number used for forms alignment.

Printer Setup Form Considerations

Be sure to allow for check numbers that will be used to set up the printer. For side-by-side forms, 2 checks are required to set up the printer.

Print Queues

Specify the print queue each form is assigned to on the CW1 transaction. Up to 100 forms can be processed in each execution of the check writer. Up to ten forms can be printed using the ten available print queues.

If you have more than ten forms to print, or you do not want to print all of your forms directly, leave the print queue indicator blank. The check or deposit advice records for that form will be held in a print spool file until you are ready to print them or until the next time you execute the Check Writer. When you are ready to print the check/deposit advice forms held in the print spool file, execute PLR595 and enter the SP transaction specifying the forms you want to print and the print queue they are assigned to.

Alignment Forms

You can also use the CW1 transaction to change the number of forms to print for alignment purposes. If you do not enter a change on the CW1 transaction, the system will use the standard you set up on the TH2-001 transaction.

Change Formats

You can also use the CW1 transaction to change check/deposit formats for a special run. For example, you usually use form 1001, check over, earnings statement under. For a special run, you want to print checks for employees who are assigned to form 1001 on a self-mailer format. To change the format, enter the self-mailer check format code for form 1001 along with your check number range and print queue assignment on Screen 11 (CS1 Transaction).

Note that one check format can be overridden only with another check format, and a deposit format can be overridden only with another deposit format.

Optional Decisions

The following section discusses the optional information you can provide on your checks/deposits.

Earnings Statement

This table provides an overview of the options you can choose on the earnings statement:

Screen	Transaction	Option	Description
222, 40, 37	NB/RB	Employee Name	If you do not want to print the employee name on the earnings statement.
11(US) 9 (CAN)	CS-1	Organization Address	You can choose to print this address.
N/A	TC, TD, TE	Descriptions for state, county, city	You can print the name of the state, county, and city beside the income taxes for those entities by adding those descriptions to the HRMS Tables File.
11(US) 9 (CAN)	CS-1	Rates and Year-to-date	You can choose to print the rate with the earnings and year-to-date accumulations for earnings, taxes, and deductions by choosing those options.
11(US) 9 (CAN)	CS-1	Hours	You can choose to print hours not associated with an earning and sick and vacation hours available by choosing those options.

(continued)

Screen	Transaction	Option	Description
94	ZM, ZN	Messages	You can choose to print a message to all employees in the organization by selecting that option or individual messages to specific employees.
95	ZD	Period Begin Date	You can choose to print the pay period begin date by selecting this option. You must enter a pay period begin date for each pay frequency.

Message Line Considerations

The earnings statement usually has room to print 14 detail lines for hours and earnings and 17 detail lines for taxes and deductions. If you choose to print a special message on the earnings statement, those details are reduce by one line to allow room for the message. The message prints on the last available line.

The maximum amount that can print on an earnings statement detail line is 9,999,999.99 for formats 1C - 4C and 1D - 4D. If any amount on the earnings statement exceeds this maximum, a truncation warning message will print on the earnings statement. This truncation warning will override any message entered on a ZM or ZN transaction (Screen 94).

The expanded format check, format 7C/7D, has room to print up to 31 detail lines for hours and earnings and up to 34 detail lines for taxes and deductions. The number varies depending on the number of detail lines that need to stagger to allow accumulators of up to 999,999,999.99 to print. A message line is also available.

Check/Deposit Advice

This table provides an overview of the options you can choose on the check or deposit advice:

Screens & Transactions	Option	Description
221, 40 (US), 37 (CAN), (SA Transaction), 304, (TA Transaction)	Paid-thru Bank Name	If you have designated certain employees to have a paid-through bank name print, you need to set up the information on the employee and the HRMS Table.
11 (US), 9 (CAN), (CS-1 Transaction), 222 (CAN), 37 (CAN), (ND2/RD2 Transaction)	Check Amount in Words	The check amount will print in words unless you choose the option on Screen 11/9 not to print the words. For Canadian users, you can choose to print the cheque amount in French by specifying French as the employee's language preference.
11 (US), 9 (CAN), (CS-1 Transaction)	Suppress Checking Account Number on Deposit Advices	The entire checking account number will be printed unless you choose the option on screens 11 and 9, CS-1 Transaction, to either suppress the entire account number or print only the last 4 digits
11 (US), 9 (CAN), (CS-1 Transaction)	Check/Deposit Format 6C/6D Expand Maximum Earnings and Deductions	By default the 6C/6D format can have a maximum of 27 earnings lines and 39 deductions lines. This option increases the maximum to 252 earnings lines and 90 deduction lines.
224, 740, (NF/RF Transaction), 304, (TA Transaction)	Bank Services	On the deposit advice, bank service deductions are itemized showing the DOE description, bank name, account number, and amount deposited. You set up the account information using screens. The bank name is taken from the HRMS Table File. If no bank name is found, that field is left blank on the deposit advice, and the undefined bank code is noted on the Check Writer Exception report.

Control/Audit Reports

The system produces the following reports to assist you in control and audit functions:

Report	Description
Validation Report	This report is printed as CW1, CS2, and SP control transactions are processed to notify you of any potential error conditions.
Check Writer Control Listing	This report summarizes check and deposit advice net amounts, numbers used, and void checks. It accounts for alignment forms and any check inactivated due to a restart condition. Inactive employees are reported as void checks to the Check Reconciliation subsystem.
Check Writer Restart Report	This report lists the level 1 - level 2, employee number, employee name, form number, and check/deposit advice number of every check/deposit advice printed, as well as those voided. This serves as a quick source of information required for restart if it is necessary.
Check Writer Exception Report	This report lists checks/deposit advices not printed or for which information was missing. If no exceptions are found, the following message appears on the report: NO EXCEPTIONS GENERATED THIS RUN.

Information is listed on the Check Writer Exception report for five basic reasons:

Message	Description
Error 1	FORM NUMBER ASSIGNMENT MISSING FROM HRMS TABLES FILE CHECK/DEPOSIT NOT PRINTED
Action	Check the form number you requested on the CW1 transaction to make sure it was entered correctly. Make sure a TH2-001 transaction (Screen 309) has been entered to set up the form number.
Error 2	OUTSIDE OF CHECK/DEPOSIT NUMBER RANGE CHECK/DEPOSIT NOT PRINTED
Action	Make sure you entered check/deposit advice number ranges on the CW1 and CW2 transactions.

(continued)

Message	Description
Error 3	PAID THROUGH BANK BRANCH CODE NOT ON HRMS TABLES FILE CHECK IS PRINTED
Action	Make sure you have entered the bank information on a TA transaction (Screen 304).
Error 4	BANK BRANCH CODE NOT ON HRMS TABLES FILE CHECK/DEPOSIT WILL STILL BE PRINTED
Action	Make sure you have entered the bank information on a TA transaction (Screen 304).
Error 5	TH1 FORM NUMBER IS NOT CONSISTENT WITH TH2 FORMAT CODE C (CHECK) OR D (DEPOSIT) CHECK AND/OR DEPOSIT ADVICE NOT PRINTED
Action	Make sure you have entered the correct form number on the CW1 and check to make sure the form was defined on a TH2-001 transaction (Screen 309).

Restart Procedures

This procedure is used to start check writer again after a machine malfunction such as the forms jamming.

The information you need to begin the restart process is available on the Check Writer Restart report. Using that information, complete the following steps:

Step	Action
1	Find the last good check/deposit advice printed.
2	Identify the forms to restart. For each form, determine whether all forms need to be reprinted or only the check/deposit advices after a specific employee.
3	Enter a CW1 transaction only for the forms to reprint. If you need to reprint an entire form, enter **F** in the Restart Indicator on the CW1 transaction. You do not need to enter new sequence numbers to reprint an entire form if you plan to use the same check numbers. To use the same sequence numbers again, enter **0** leave the Check/Deposit Advice Number Assignment Indicator blank. You must also fill in the form number and print queue. To use new check sequence numbers, enter **1** in the Check/Deposit Advice Number Assignment Indicator, and enter new beginning/ending sequence numbers. If you need to restart after a specific employee, enter **E** in the Restart Indicator on the CW1 transaction. You must enter new sequence numbers to restart after a specific employee. You must also enter form number, print queue, Level 1-Level 2, and the employee number of the first employee to print a new check for. To start again with a new series of numbers, enter **1** in the Check/Deposit Advice Number Assignment Indicator. If you are assigning new numbers, remember that the first check/deposit form used will be for printer setup and will not print as a check/deposit. Enter the new range numbers on the restart CW1 transaction.

A restart recreates all output files. These files contain the information for all checks/deposit advices from both the original and the restart runs. Check/Deposit advices that have been recreated by the restart will be voided for Check Reconciliation.

Example 1

This example shows how to restart all CHK1 forms using the same sequence numbers entered at the start of the job the first time. This restart is necessary because the printer operator loaded accounts payable check forms instead of payroll check forms.

Position	Field Name	Field Value
1-3	TRANSACTION CODE	CW1
4-7	FORM NUMBER	CHK1
8-43	(Not used in this example)	
44-45	PRINT QUEUE	01
46-52	(Not used in this example)	
53	RESTART-INDICATOR	F
54-76	(Not used in this example)	
77	# ASSIGN	0
78-80	RESERVED	

Example 2

This example shows how to restart CHK1 forms when the printer jammed printing check number 000025662 for employee 225394300.

Position	Field Name	Field Value
1-3	TRANSACTION CODE	CW1
4-7	FORM NUMBER	CHK1
8-16	FIRST CHECK/DEPOSIT ADVICE NUMBER RANGE BEGINNING SEQUENCE NUMBER	000025664
17-25	FIRST CHECK/DEPOSIT ADVICE NUMBER RANGE ENDING SEQUENCE NUMBER	999999999
26-43	(Not used in this example)	
44-45	PRINT QUEUE	01
46-52	(Not used in this example)	
53	RESTART-INDICATOR	E
54-57	RESTART-CONTROL LEVELS	AABB
58-67	RESTART-EMPLOYEE NUMBER	225394300(blank)
68-76	RESTART-CHECK/DEPOSIT ADVICE NUMBER	000025662
77	RESTART-#ASSIGN	1
78-80	RESERVED	

Note: This example uses the over/under check form, which requires 1 form to hit the pin feeds on the printer; the first check to print as an alignment form will be the second check used. If you use the side-by-side form, 2 checks will be used to hit the pin feeds on the printer, and the first check to print as an alignment form will be the third check used.

ZD and ZM Transaction Generator Feature - Batch Processing

The HCM:E system has the ability to create multiple ZD or ZM transactions from a single input ZD or ZM transaction. The transactions generated are identical to the input transaction except for the level 1, level 2 entries. This feature should not be used unless all fields in the input ZD or ZM transaction apply to each of the level 1, level 2's for which to generate a transaction. The feature functions according to the following specifications:

- A file must be established containing a reference to each level 1, level 2 for which a ZD or ZM transaction is generated. Your technical staff should be consulted in this, referencing the Record Descriptions (Payroll Transaction Record) and System Flow (Validate Transactions and Diagram 3 referencing Levels File PWP060).
- An input ZD or ZM transaction is created, as usual, but the level 2 field is entered as **.
- The HCM:E generates a ZD or ZM transaction identical to the input for each reference in the file that has the same level 1 as the input. This is accomplished using the level 2 to replace the ** in the input transaction. If the input level 1 has no reference in the file, the input transaction enters the System without change.
- If the input ZD or ZM transaction has ** in both level 1 and level 2, a ZD or ZM transaction is generated for every level 1, level 2 value that is in the file. If there are no references on the file at all, the input transaction enters the System without change.

Printing Special Hours on the Check Stub

The current amounts for special hours can be printed on the check stub when they are associated with a DOE earning.

Special hours are associated with DOEs at the organization level using Screen 333.

To print the special hours, the associated DOE must have a current amount not equal to zero. Two ways to accomplish this are available. The first way is to enter a DOE code and a special hour code in each time entry transaction. The second way is to enter only the DOE code and leave the special hour code blank. In this case, HCM:E plugs a special hour code in the time entry transaction if a special hour code has been tied to that DOE. This plugging in of the special hour code does not take place if a zero is entered on the time entry transaction as the special hour code.

Deleting an Organization

An entire organization can be deleted from the Employee Master File by executing the Employee Master Copy Services program (PLP000) and entering MS-2 control transactions for all organizations **except** the one to delete. This creates an extracted Employee Master File, minus all records belonging to the deleted organization. If you are using a random Employee Master File, the Employee Master Copy Services program must be executed again to reload your random Employee Master File from your extracted Employee Master File. If, through transfer or deletion, all the employees for a particular organization are removed, the organization records can be removed using the procedure mentioned earlier.

The Fiscal Year Totals

For internal accounting, you need to carry certain totals from the Payroll system on a fiscal or noncalendar year basis. Two ways to approach this are available in HCM:E:

- It is possible to add additional fields to user segment 500 (see *Technical Guide*). You can also add the routines in the Update program in the add to-current fields section. This enables you to roll the fields into segment 500 before clearing the current fields in each processing run. This also requires programming changes in the area of the AA control transaction to specify when to clear these fields, for example, using the period-end or period start code to signal fiscal year-end to the update program in the clear-current or clear-month section and zero these figures out when the AA transaction designates fiscal year-end.
- The second method does not require making programming changes in HCM:E. It uses the DOEs currently in the system. This is accomplished by coding a deduction on Screen 330 (Organization DOE record) on the HRMS Tables File as a type H, employer-paid deduction. The method code on the employee DOE setup (Screen 225) is then used to specify any of the calculation methods. You can use the deduction/other earnings exception code in the CLEARANCE EXCEPTIONS field (Screen 13 or 14) of the AA and AB data to clear the year-to-date figure for your fiscal year. The DOE codes, 32 maximum, are entered in the DOE CLEARANCE EXCEPTS CODE field on the AB transaction.

3 Putting an Organization on the System

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Introduction

This chapter provides instructions for putting an organization on the system.

Levels of Control

Levels of control enable you to categorize the data stored, processed, and reported by the system. You use the level of control fields to identify the exact cost center, department, division, organization, and so on, associated with each piece of information you enter in the system. Then, you can precisely specify which information you want to include when you process data or print reports.

Many reports are essentially an analysis of data in detail or summary form, categorized by specific groups. When you establish levels of control for an organization, assign these specific groups according to the accounting controls your organization has chosen for reporting purposes. The following sections describe the five levels of control.

Level 1

- Represents the highest level of summarizing data. This is usually the highest level of reporting within the organization structure, the corporate entity itself.
- Levels 1 and 2 are each identified by two-character codes that you define.
- The names that you give levels 1 and 2 are the names used for report headings. The level 2 name is printed directly beneath the level 1 name on most reports.

Level 2

- Level 2 is the key level for accounting/control purposes.
- You use this level to assign all the accounting control group names and their descriptive processing control functions, such as reporting options and all deductions and other earnings (DOEs).

Levels 3 through 5

Within your organization or level 2, you can identify levels 3, 4, and 5 according to your accounting needs and structure. These levels are used to identify the intermediate through low-range reporting groups. For example, these levels can identify plants, departments, sections, cost or profit centers, and so on. Carefully consider their order in regard to your present organization policy of reporting as well as your future needs.

These levels are used by payroll to

- Control intermediate totals and summarization
- Group employees for reporting
- Determine the sequence of checks.

For Labor Distribution reporting, levels 3 through 5 are used as a portion of the distribution controls and can have a definition different from payroll. For a more complete explanation of this feature, see the Labor Distribution chapter in this guide.

Extended Distribution Code

The Extended Distribution code can be used as additional levels of control (6 through 8). These levels are primarily used as Labor Distribution or General Ledger Accounting control levels.

Balancing Payroll

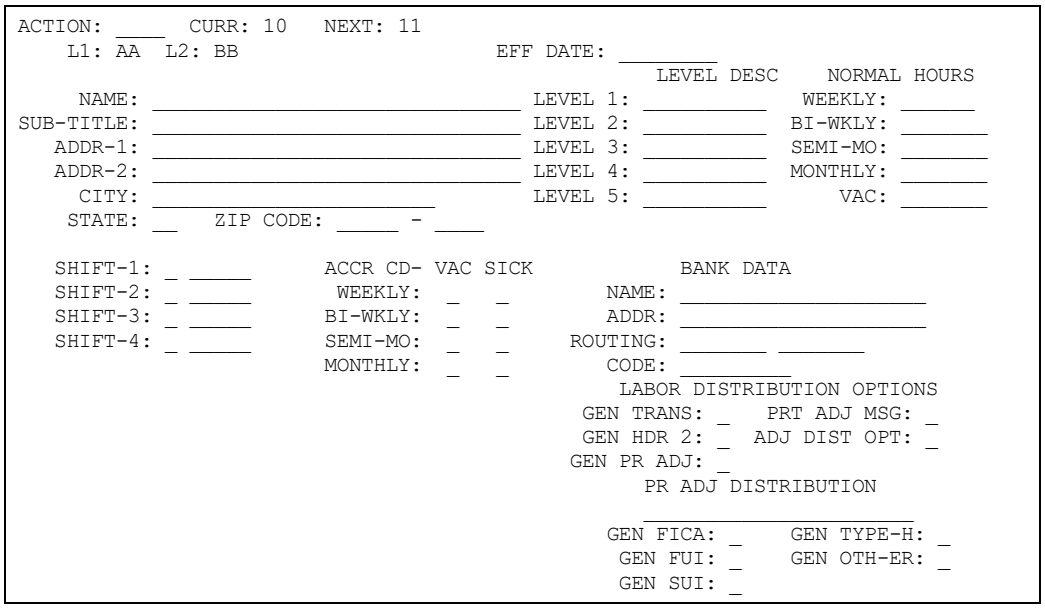
Control levels also help you balance your payroll. The system provides automatic totals balancing and balance control reporting that can be used as an integral part of the system audit trail. This ensures that all accounts are properly balanced and enables the payroll department to match the totals derived by the system with the adding machine totals developed by the payroll accounting department.

Screen 10 or Screen 8 - Basic Company Information

To assign levels of control, you must familiarize yourself with the screens that contain basic company information.

To begin assigning levels of control, open Screen 10 (U.S.) or Screen 8 (Canadian).

Screen 10



Fields

L1 and L2

These are required fields. Enter the value for level 1 in the field labeled L1. You can use any two characters.

Note: The level 1 value you use here must be used on every screen for this corporation.

Enter the two characters that identify your level 2 in the field labeled L2. Again, you can use any two characters.

- Although alphabetic characters are acceptable, we recommend that you use numbers; numbers seem to be easier to remember and less subject to error.
- You can have several level 2s for each level 1. Level 2 is the organization level.

Note: The level 2 value you use here must be used on every screen for this organization or division.

Corporation or Organization Name

This is a required field. Enter your corporation or organization's name. This name appears on most reports.

Subtitle

This is an optional field. Enter your corporation or organization's subtitle. This name appears on most reports (CA transaction).

Address Fields

These are required fields. Enter the address, city, state, and ZIP code (U.S.) or Postal Code (Canadian) (CB and CC transactions).

- The address is printed on your State Quarterly Wage reports, W-2s, and T-4s.
- Postal code/ZIP code formats differ between the U.S. and Canada. For edit rules, see the *Screen Reference Guide*.
- The country code field is necessary to distinguish U.S. organizations from Canadian organizations.

Level Descriptions

This is an optional field. Enter a description for each level of control. The level descriptions print on subtotal and grand total lines of many reports. Each description can consist of 1 to 10 alphanumeric characters, such as department, plant, section, and so on (CN transaction).

Bank Data

The bank data entered on Screen 10 is printed on this organization's checks. Bank data is optional. If you do not want to print bank data on checks, leave these fields blank (CP transaction)

If you want bank data to print on checks, enter this information on Screen 10:

- The name of the bank through which payroll is paid
- The city and state in which the bank is located
- The bank routing number assigned to the bank
- The bank branch code for the bank that processes your payroll. The bank branch code is discussed in more detail later.

Other Considerations

If your bank name and location are preprinted on your check and deposit advice form, you do not need to set up this information.

If you have already set up this information and later decide that you do not need it, use the reset feature to remove the information.

Bank Branch Code

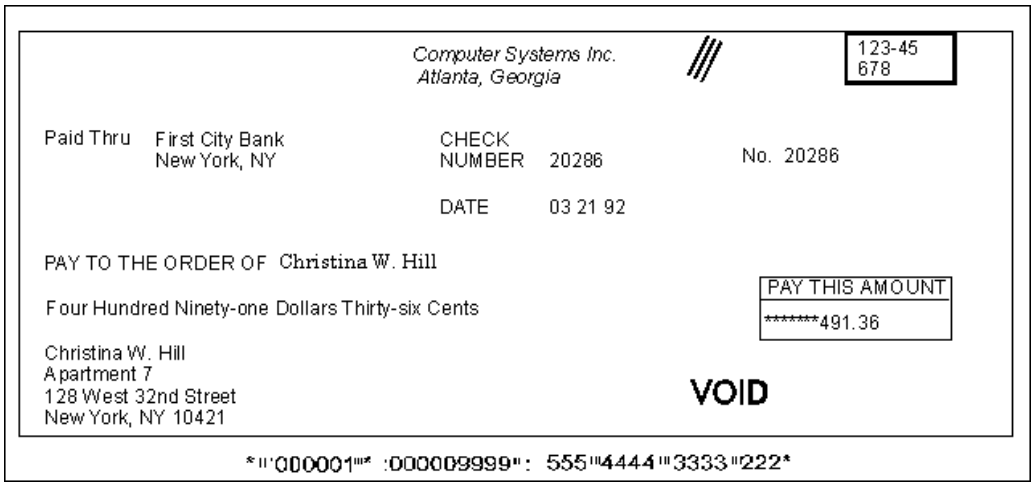
The bank branch code designates the bank through which payroll is paid. Use any two digits to define the code, or the bank ABA number.

The code you define here is used as the default bank branch for employee checks. If an employee's record does not contain a different bank branch number for bank services, the system assumes the employee is using the bank through which payroll is paid. For more information, see the Managing Employee Information chapter in this guide.

Note: If you are using special bank information on your system, make sure you are completely familiar with all bank information, including that contained in Managing Employee Information.

Example

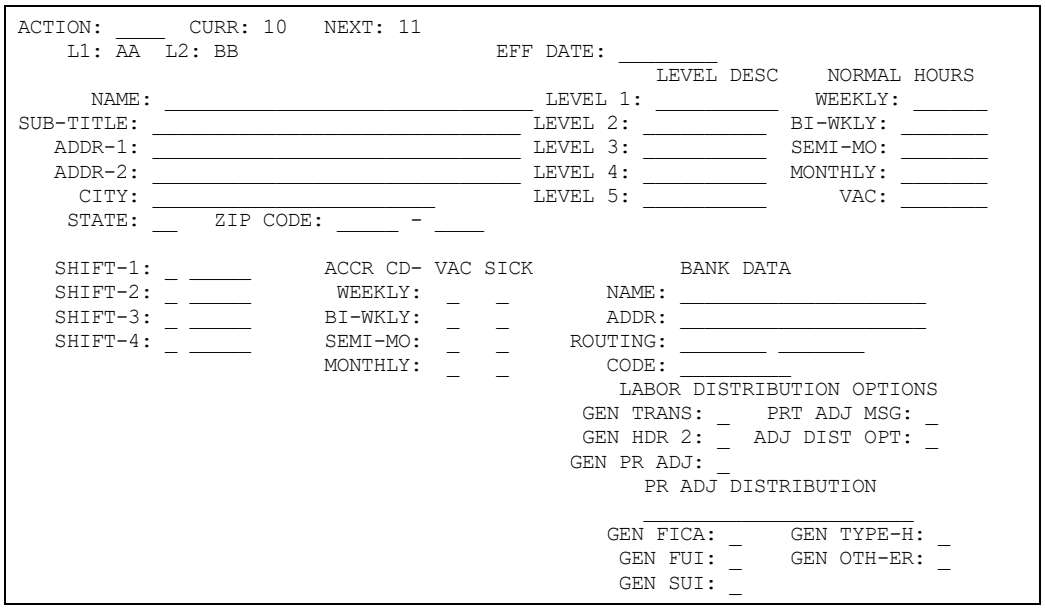
The following example shows bank information printed on a check.



Shift Differential

Screen 10 contains four, five-character fields for entering shift differential parameters (Shift-1, Shift-2, Shift-3, and Shift-4). Shift differential is an amount or percentage of calculated earnings.

These fields are optional.



For each rate, specify either a percentage of earnings (regular, overtime, or both) or an amount per hour (regular, overtime, or both). Use the values described in the following sections to complete one or all of the shift fields.

Position 1

The first position of each five-character field indicates whether the pay is specified as a percentage or an amount. This table shows the value to use to specify the type of shift differential for the field.

Value	Description
1	Indicates that this shift differential is a percentage of earnings
2	Indicates that this shift differential is a specific amount per hour

Positions 2 through 5

Positions 2 through 5 specify the shift differential amount, as this table shows.

If...	Then...
The rate is a percentage	Enter the rate as four decimals, such as .9999.
The rate is an amount	Enter the amount with two decimal places, such as 99.99.

Vacation and Sick Accrual

Enter the vacation and sick accrual codes on Screen 10 in the fields that appear under the ACCR CD- VAC SICK category. These fields are optional (CR transaction).

You can enter vacation and sick accrual codes for weekly (Weekly), bi-weekly (Bi-wkly), semi-monthly (Semi-mo), and monthly (Mo) pay cycles.

- The vacation and sick accrual method modes are based on the employee's pay frequency.
- If no code is entered, the codes are set to zero and hours are not accrued.
- The codes entered on Screen 10 can be overridden at the employee level (Screen 222).

Establishing Voluntary Deductions and Other Earnings

Follow these basic steps to establish DOEs.

Step	Action
1	Develop a list of DOEs.
2	Prioritize the list of DOEs to determine the order in which they will be processed.
3	Enter the DOEs on Screen 330, DOE-001 transaction batch

These steps are discussed in detail in the following sections.

Step 1: Develop a list of DOEs

First, develop a list of all the DOEs your **current** payroll system contains. Next, you might want to review this list with your departments using the payroll system to determine each DOE frequency, method of calculating the DOE, and how the arrears are presently handled.

Note that the term *arrears* refers to a condition where the employee does not have sufficient earnings from which to take the amount of this deduction this pay cycle. The arrears amount can be added to the amount that is usually deducted from his pay during the next payroll cycle or ignored.

Including Additional DOEs

The next step is to question the departments using the system to determine if they want to include additional DOEs in the new system. If so, the mechanics of each DOE must be researched in the same fashion. After completing this task, you must also determine the priority in which these DOEs are processed. Other earnings, of course, are added to an employee's gross pay and usually precede deductions with higher priorities. Examples of such earnings are overtime pay, commissions, bonuses, or perhaps shift premium differentials.

Combination DOEs

A combination DOE (combo DOE) is an earning treated as an earning when it is calculated but handled as a deduction when it is processed. Examples include tips, meals, and prizes. All combo DOEs are assigned the highest priority. Deductions are then assigned the lowest priority. Duplicate priorities can be assigned. In this case, the DOEs will be processed in DOE code sequence.

Canadian Organizations

For Canadian organizations, DOEs are used to accumulate special amounts that appear on the T4, T4A, Relevé 1, Relevé 2, and Record of Employment, such as registered pension plans, commissions, patronage payments and holiday pay, and so on. If any of these are used, at least one DOE must be assigned to it using the TM transaction of the HRMS Tables File. For more information, see the *Transactions Descriptions* guide.

Step 2: Prioritize the List of DOEs

After you compile a list of DOEs, you must prioritize them to determine the order in which to process them. Arrange the list of DOEs so that they appear in the order in which to take them. All combination DOEs and tips **must** be assigned highest priority.

Recommendation: Specify earnings next, followed by deductions. If you have a requirement to deduct net (for example, an ACH checking account), establish that last.

Overriding the Prioritization

Temporary Override

You can temporarily override the prioritization of DOEs for an individual payroll run using Transaction Priorities on Screen 17 (CD1 and CE1 transactions).

Permanent Override

You can permanently change priorities for a DOE by accessing the organization DOE information on Screen 330 through menu screens.

Special Use DOEs

Special use DOEs are items that are not true earnings or deductions, but they are easily calculated and maintained using the DOE features of the system. Tip credit and earned income calculations fall into this category. For restrictions on special use DOEs, see the Managing Employee Information chapter of this guide.

Step 3: Enter the DOEs on Screen 330

Use the Insert New DOE Codes fields at the bottom of Screen 330 to assign DOE priorities. The DOE codes and priorities you have already entered appear in the upper portion of this screen.

```
ACTION: ____
L1: AL L2: WB

NEXT DOE CODE: GE

                          ORGANIZATION DOE INFORMATION

  DOE       TYPE               VAC ********* TAXING OPTIONS ********  ** ACH ***
  CD  PRTY  CODE  DESCRIPTION  IND FED ST CNTY CITY FICA FUI SUI/SDI  IND TYP CD
E6 1294   G   MSCSV/ALWA/005    1   1   1   1    1    1     1      A   5 29
FF 0001   J   TEST DOE MAX #    1   1   1   1    1    1     1
GA 0003   G   EXCL DED G1       1   1   1   1    0    0     0
GB 0004   G   EXCL DED G2       1   1   1   1    0    0     1
GC 0003   G   401K-W2 SUICD2    1   0   0   0    0    0     2
GD 0003   G   403B - W2         0   0   0   0    0    0     0


INSERT NEW DOE CODES:
  __ ____   _   _____________ _   _   _   _   _    _    _     _      _   _ __

                                                                        330
```

DOE Code

Enter the DOE code for which you want to assign a priority. This field is required if you want to enter a DOE code priority.

Priority

Enter the priority code in the field below the PRTY column. This field is required for each DOE code you enter.

You can assign the same priority to multiple DOEs. The DOEs are then processed in sequence by DOE code, within the priority.

Inactivating the DOE at the Organization Level

When you set up a DOE, you must set up a priority, even if you want the DOE to be inactivated. A priority of **0000** inactivates the DOE at the organization level.

Type Code

This field is required when you establish a DOE. When you establish a DOE, you must assign a code that indicates whether the DOE is a deduction, an earning, or a combination DOE. These codes are also used to indicate the type of deduction or earning. For each DOE, enter a code in the Type field.

See *Transaction Descriptions* for a list of valid values for the type code.

Description

This field is optional. Use the Description field to assign a description for each DOE. You may use up to 14 characters.

Screen 9 or Screen 11 - CS-1 Data

Setting up Report Options

The system delivers reports to help you manage your payroll department and provides tax reports to comply with government reporting requirements. This topic discusses the payroll department reports. The options specific to regulatory reporting are discussed in the *Regulatory Reporting Guide*.

Report Options, which are entered on Screen 9 (Canadian) or Screen 11 (U.S.), enable you to tailor the delivered reports to meet your needs.

The options selected on Screens 9 and 11 (labeled CS-1 Data) apply to reports for a level 2 organization. You must set up options for each level 2 in the system. These options allow you to determine

- The print sequence for checks and deposit advices
- Whether to print the organization name on checks
- Whether to print year-to-date totals on earnings statements
- Whether to print sick and vacation hours available on the earnings statement
- The sequence in which you want employees to appear on payroll reports
- The number of blank lines between employee information on payroll reports
- Whether to suppress all or part of the checking account number on deposit advices.
- Whether the check/deposit 6C/6D format has a maximum of 27 earnings and 39 deductions or 252 earnings and 90 deductions.

Deciding Which Options to Use

To choose options for reporting within the system, assess the reports your current system generates. Also consider the following questions:

- Are all reports needed by the departments that will use the payroll system already provided within the system, or do you need additional reports?
- Do the reports summarize information by levels of control in the sequence you need?
- How can you handle future reporting needs of the departments that will be using the system?

Selecting the Options You Want

Use Screen 11 (or Screen 9 for Canadian organizations) to select the options you want to use.

For a detailed description of the fields and their values, see the *Transaction Descriptions* guide.

```
ACTION: ____  CURR: 11   NEXT: 11   EFF DATE: ________
     L1: AL  L2: WA

                                   CS-1 Data
      Low Level Total: 2        Balance Time Card: *     Bond Register Options
      Low Level Break: 2        Maint Detail List:          Select Accounts: *
     Total by Pay Code:         Print Rate on Reg:        Select Deductions: *
        Print Not Paid:          Delete Term Emps: *       Select Purchases: *
        Print Inactive:         Delete Inact DOEs: *             Select MTD: *
      Print Terminatd:      Delete Inact Tax Segs: *     Print Empe Address:
     Space Between Emp: *    Major Sequence Option:           Print Summary:
     Valid Detail List:      Lowest Level Sequence: 2
     Time Proof Detail: *    Minor Sequence Option: 1
     SUI State Options: *    Use L1L2 for Tax Auth: N

                                  Check Options
    Print Org Headings: *               Print YTD:        Print Emp Address: *
   Check/Dep Print Seq:          Major Check/Dep Seq: 1      Int Check/Dep Seq:
   Minor Check/Dep Seq: 2    Print Nonzero YTD Amt: *    Print Employer Paid:
 Print Zero Gr/Net Chq:      Print Vac Hours Avail: *   Print Sick Hrs Avail: *
   Print Level Control:      Print Amount in Words:      Print Employer Addr: *
 Print Rate w/Earnings: *     Assign Form # by Emp: *   Prt Dep Dtl on Split: *
 Split SS/Med on Check: *           Print Long Name:      Suppress Account #: 2
   Expand 6C/6D Format: *                                         ESS Display:
```

Use the following table to cross-reference options to the reports for which they are available.

Legend
Reports

1 - Time Entry Proof
2 - Payroll Register
3 - DOE Register
4 - Deductions Not Taken
5 - Hours Register
6 - Bonds Report
7 - Employee Tax Report
8 - Bank Services
9 - Tax Distribution Summary
10 - Deduction/Earning by DOE
11 - ACH Audit
12 - Pay Exemptions
13 - Checks/Deposits

Check Mark (✓) - Option available for the report

CS-1 Field	1	2	3	4	5	6	7	8	9	10	11	12	13
Low Level Total	✓	✓	✓	✓	✓	✓	✓						
Low Level Page Break	✓	✓	✓	✓	✓	✓	✓						
Total By Pay Code	✓	✓	✓	✓	✓	✓	✓						
Print Active Not Paid		✓	✓	✓	✓	✓	✓						
Print Inactive		✓	✓	✓	✓	✓	✓						

CS-1 Field	1	2	3	4	5	6	7	8	9	10	11	12	13
Print Terminated/Deceased		✓	✓	✓	✓	✓							
Space Between Employees		✓	✓	✓	✓	✓						✓	
Print Organization Headings on Chks													✓
YTD On Checks													✓
Print Employee Address On Checks													✓
Print Rate On Register	✓												
Major Sequence Option				✓		✓	✓	✓	✓	✓	✓		
Lowest Level Sequence		✓	✓	✓	✓	✓	✓						
Minor Sequence Option		✓	✓	✓	✓	✓	✓						
Select On Nonzero Account						✓							
Select On Nonzero Current Deduction						✓							
Select On Nonzero Current Purchases						✓							
Select On Nonzero MTD Purchases						✓							
Print Address For Selected Employees						✓							
Summarize Activity For Selected Employees						✓							
Print Employee Long Name On Checks/Deposits													✓
Check/Deposit Advice Print Sequence													✓
Major Check/Deposit Advice Sequence													✓
Intermediate Check/Deposit Advice Seq													✓
Minor Check/Deposit Advice Sequence													✓
Chk/Deposit Advice Print Nonzero YTD													✓
Chk/Deposit Advice Print Empler Pd DOE													✓
Suppress Printing Zero Gross/Net Check													✓
Print Vacation Hours Available													✓
Print Sick Hours Available													✓
Print Control Level Fields													✓
Print Check Amount In Words													✓
Print Empler Address On Earn Statmt													✓
Print Rate With Earnings On Earn Statmt													✓
Assign Form Number By Employee													✓
Print Earnings Statement For Deposit Advice When Split Check And Deposit													✓
Print SS/Med Tax On Separate Lines On Earnings Statement													✓
Select Format 6C/6D Maximum													✓
Suppress Checking Account Number On Deposit Advice													✓
Suppress Printing Of Earnings Statement													✓

Setting Up Check/Deposit Options

You use the CS-1 Data transactions or the check options on Screen 11 or 9 to set up certain organization information to print on your payroll checks and deposit advices.

Examples

- If your organization does not use forms preprinted with the name and address of the company, you can choose to print that information on the forms. If your company begins using preprinted checks and deposit advices at some time in the future, you can simply turn the option off.
- You can also choose the same sequence options for checks and deposit advices that you have chosen for the Payroll Register, or vice versa.
- You can set up your earnings statements for either checks or deposit advices to provide a detailed statement for employees. You can show not only the rate of pay and totals for this check and year-to-date but also vacation and sick hours available.
- You can, on deposit advices, choose to show the entire checking account number, suppress the entire number, or show only the last digits.

For a complete list of options, see the CS-1 Field to Report chart on the preceding page. For values, see the *Transaction Descriptions* guide.

Identifying Tax Requirements

One of the most complex aspects of a computerized payroll system is the calculation of the amount withheld from each employee for federal, state, and local taxing authorities. The payroll system enables you to maintain tax formulas and tax constants by effective date. The system calculates the appropriate taxes for all fifty states, the District of Columbia, Puerto Rico, and the Canadian provinces using the payroll check date to select the appropriate tax formula or fixed amount constant.

To identify your tax requirements and select the appropriate options for each, consider the following questions:

- In which states, counties, and cities does the organization operate?
- Does the organization also operate in Canada? Which codes do I assign?
- How do I accommodate resident/nonresident taxing requirements and reciprocal agreements between taxing authorities?
- How do I provide for special optional taxing methods for taxing bonuses, and so on?
- How many different methods of taxing are available within the system?
- Can I tax an employee within multiple states during the same payroll cycle?

The payroll system accommodates all these considerations and provides 17 separate accumulations of state and local taxes per employee. Decide which of these considerations apply to your own organization, and determine which options are applicable in each case.

Screen 333 or DOE-SPH

Some managers require current information on the hours used for vacations, holidays, sick leave, military leave, jury duty, and other types of special hours categories. The payroll system provides 90 special hours accumulators that are printed on the Hours Register. You can decide the special hours categories to assign based on your organization's needs. After you establish these classifications, review the list of special hours with the departments that will be using the system.

Special Hours Descriptions

Screen 333 provides for 90 special hours categories. Each description can use up to eight alphanumeric characters.

Note that if you are using the associated batch transactions, DOE-SPH transactions are required to describe the hours categories.

```
ACTION: ____
L1: TN L2: RA

NEXT SPECIAL HOURS CODE  __

                    ORGANIZATION SPECIAL HOURS INFORMATION

    SPECIAL HOURS    DOE      SPECIAL HOURS    DOE        SPECIAL HOURS    DOE
   CODE/DESCRIPTION  TIE     CODE/DESCRIPTION  TIE       CODE/DESCRIPTION  TIE
     01   VAC PAY     ZA       02   SICK PAY    TA         03   HOLIDAY     X6
     04   SHIFT 1     XK       05   SHIFT 2     XL         06   SHIFT 3     XM









INSERT NEW SPECIAL HOURS CODE AND DOE TIE:
     __   ________    __       __   ________    __         __   ________    __
                                                                            333
```

Tying Special Hours to DOEs

When a DOE code associated with a special hours code is entered with hours on a time entry transaction, the special hours accumulator is updated automatically. Also, the current amount of a special hour that is tied to a DOE is printed on the earnings statement on the same line as the DOE (earning only).

Earnings-to-Special Hours Fields

Earnings-to-Special Hours

To associate special hours with DOEs, enter the special hours codes in the Special Hours Code fields, the hours description, and the DOE associated with each special hours code in the corresponding DOE Tie field. This field is required for each DOE/special hours pair you want to create.

Screen 332 or DOE-STP - Step DOE Fields

Screen 332 or the DOE-STP transaction is used to create organization-level step DOEs. Step DOEs enable you to vary the method of calculation or the DOE amount or both based on

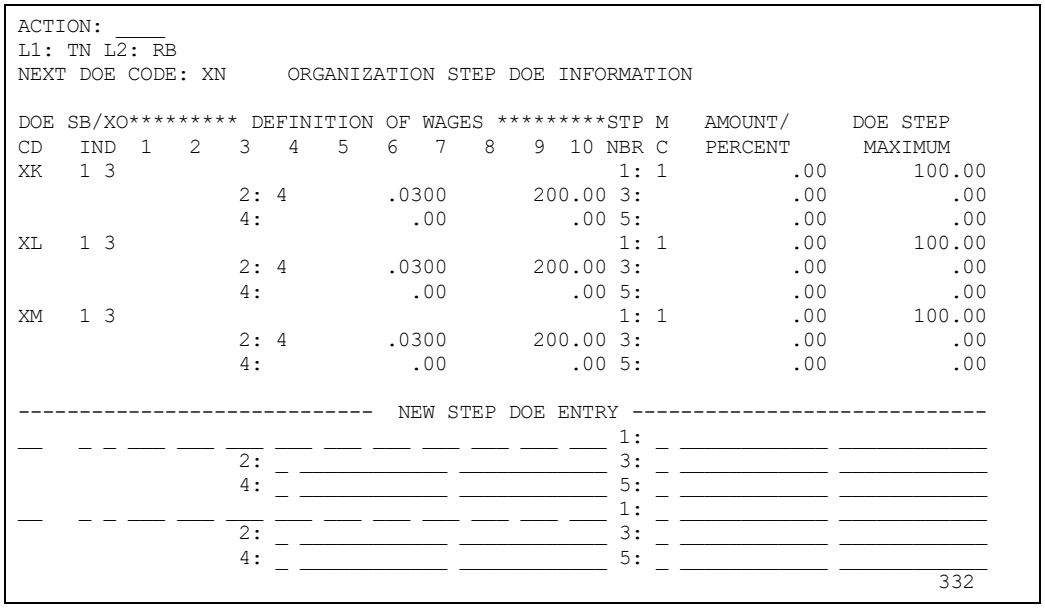
- Current pay period earnings
- Earnings to date
- Month-to-date, quarter-to-date, or year-to-date DOE accumulation.

For step determination, percentage of total earnings calculation, or both, you can also define earnings by adding up to ten items together or by subtracting up to nine items from actual total earnings.

The items added, subtracted, or both can be earnings, deductions, or a combination of the two.

Note that the system does not allow a negative result if you are subtracting from actual total earnings.

Steps are established at the organization level on Screen 332. Alternatively, they can be established or overridden at the employee level on the NK/RK transaction. Up to 500 DOEs can be identified at the organization level (level 2) as step DOEs.



```
ACTION: ____
L1: TN L2: RB
NEXT DOE CODE: XN     ORGANIZATION STEP DOE INFORMATION

DOE SB/XO********* DEFINITION OF WAGES *********STP M   AMOUNT/     DOE STEP
CD   IND  1   2   3   4   5   6   7   8   9  10 NBR C   PERCENT      MAXIMUM
XK   1 3                                        1: 1          .00       100.00
                  2: 4        .0300       200.00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00
XL   1 3                                        1: 1          .00       100.00
                  2: 4        .0300       200.00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00
XM   1 3                                        1: 1          .00       100.00
                  2: 4        .0300       200.00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00

------------------------------  NEW STEP DOE ENTRY -------------------------------
__   _ _ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                  2: _ _____________ _____________ 3: _ _____________ _____________
                  4: _ _____________ _____________ 5: _ _____________ _____________
__   _ _ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                  2: _ _____________ _____________ 3: _ _____________ _____________
                  4: _ _____________ _____________ 5: _ _____________ _____________
                                                                              332
```

Fields

DOE Codes

Enter the two-position DOE codes in the DOE fields. Each DOE can have up to five steps. This field is required to enter a step DOE.

Step Base Indicator

This is a required field. The step base indicator (BI) tells the system the basis for determining the step or steps applicable for an employee. This provides a selection for up to seven entries. The basis can be

- Current pay period earnings
- Earnings to date
- Actual month-to-date, quarter-to-date, or year-to-date DOE accumulation.

If the step base indicator is left blank at the time the step DOE is established, the system assumes the year-to-date DOE accumulation as the basis for step determination.

Crossover Indicator

This is an optional field. The crossover indicator (XO) works with the base indicator when earnings have been specified as the basis for step determination. If an employee's earnings cause the activation of more than one step during a pay cycle, the crossover indicator dictates the manner in which the system handles the step or steps determination.

Basis Options

The basis can be the

- Prior to-date accumulation
- To-date accumulation including the current cycle
- System-prorated calculation (calculated across as many steps as are activated this cycle)

If the Crossover Indicator field is left blank when the step DOE is first established, the system uses the prior to-date accumulation for step determination. If current earnings (code 7 in the step base indicator) is chosen as the basis for step determination, use a crossover indicator of **2** or **3**. A crossover indicator of **1** is allowed, but it forces the use of step 1 for calculating the current DOE amount.

Definition of Wages

The wages to be used in calculation can be defined to include some items and exclude others. Beginning at Definition 1, ten, three-digit entries are available for this purpose.

The system does not restrict these entries to earnings. Deductions, earnings, or both can be added in any combination you choose. Keep in mind that you are dealing with month-, quarter-, or year-to-date accumulators.

If the DOE-STP batch transaction is used to establish the step DOE, enter the Definition of Wages information on the Step 1 transaction, and do not repeat it on Steps 2 through 5.

Examples

REG = regular earnings
O/T = overtime earnings
05_ = Earnings DOE 05

Values Added to Earnings

If the accumulator contains a negative value, the amount is subtracted; if the accumulator contains a positive value, the amount is added. The system does not add earnings and subtract deductions; you are entering up to ten items to be added. In the case of negative values in accumulators, the system does not allow the end result to be less than zero. If that happens, the system assumes a value of zero for the definition of earnings.

Values Subtracted from Earnings

Conversely, you can designate up to nine items to subtract from actual total earnings. By specifying **TOT** in the Definition 1 field, you indicate that succeeding item entries are subtracted. The items subtracted can be either earnings or deductions or some combination of the two. The end result can never be less than zero.

Example 1

In the following examples, a step base indicator of **2** means that the basis for step determination is year-to-date earnings. In the first example, year-to-date accumulations for regular earnings, overtime earnings, and DOE codes 03, 04, 15, 18, and 46 are added to determine which step or steps apply.

```
ACTION: ____
L1: TN L2: RB
NEXT DOE CODE: XN     ORGANIZATION STEP DOE INFORMATION

DOE SB/XO********* DEFINITION OF WAGES *********STP M   AMOUNT/     DOE STEP
CD   IND  1   2   3   4   5   6   7   8   9  10 NBR C   PERCENT      MAXIMUM
XK   1 3                                          1: 1          .00       100.00
                 2: 4        .0300       200.00 3:             .00          .00
                 4:            .00          .00 5:             .00          .00
XL   1 3                                          1: 1          .00       100.00
                 2: 4        .0300       200.00 3:             .00          .00
                 4:            .00          .00 5:             .00          .00
XM   1 3                                          1: 1          .00       100.00
                 2: 4        .0300       200.00 3:             .00          .00
                 4:            .00          .00 5:             .00          .00

----------------------------  NEW STEP DOE ENTRY -------------------------------
48   2   REG O/T 03  04  15  18  46  ___ ___ ___ 1: _ _____________ _____________
                 2: _ _____________ _____________ 3: _ _____________ _____________
                 4: _ _____________ _____________ 5: _ _____________ _____________
__   _ _ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                 2: _ _____________ _____________ 3: _ _____________ _____________
                 4: _ _____________ _____________ 5: _ _____________ _____________
                                                                            332
```

Note: This example is incomplete as the actual step information has not yet been entered.

Example 2

The fact that **TOT** is specified in Definition 1 of the next example means that the base is determined by subtracting year-to-date overtime earnings and year-to-date earnings for DOE codes 05, 07, and 14 from actual total year-to-date earnings.

```
ACTION: ____
L1: TN L2: RB
NEXT DOE CODE: X7     ORGANIZATION STEP DOE INFORMATION

DOE SB/XO********* DEFINITION OF WAGES *********STP M   AMOUNT/     DOE STEP
CD   IND  1   2   3   4   5   6   7   8   9  10 NBR C   PERCENT      MAXIMUM
XN   1 3                                        1: 1          .00       100.00
                  2: 4        .0300       200.00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00
XW   1 3                                        1: 1          .00       100.00
                  2: 4        .0300       200.00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00
X6   1 3                                        1: 1          .00       100.00
                  2: 4        .0300       200.00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00

----------------------------  NEW STEP DOE ENTRY -----------------------------
26   2 _ TOT 05  07_ 14_ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                  2: _ _____________ _____________ 3: _ _____________ _____________
                  4: _ _____________ _____________ 5: _ _____________ _____________
__   _ _ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                  2: _ _____________ _____________ 3: _ _____________ _____________
                  4: _ _____________ _____________ 5: _ _____________ _____________
                                                                              332
```

Note: This example is incomplete as the actual step information has not yet been entered.

Screen 332 - Setting Up DOE Steps

Step information entered at the organization level must have these elements for each step:

- Method of calculation code,
- Amount/Percent/Per Hour field, and
- Step maximum.

```
ACTION: ____
L1: TN L2: RB
NEXT DOE CODE: XN     ORGANIZATION STEP DOE INFORMATION

DOE SB/XO********* DEFINITION OF WAGES *********STP M   AMOUNT/     DOE STEP
CD   IND  1   2   3   4   5   6   7   8   9  10 NBR C   PERCENT      MAXIMUM
XK   1 3                                        1: 1          .00       100.00
                  2: 4        .0300       200.00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00
XL   1 3                                        1: 1          .00       100.00
                  2: 4        .0300       200.00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00
XM   1 3                                        1: 1          .00       100.00
                  2: 4        .0300       200.00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00

----------------------------  NEW STEP DOE ENTRY -----------------------------
__   _ _ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                  2: _ _____________ _____________ 3: _ _____________ _____________
                  4: _ _____________ _____________ 5: _ _____________ _____________
__   _ _ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                  2: _ _____________ _____________ 3: _ _____________ _____________
                  4: _ _____________ _____________ 5: _ _____________ _____________
                                                                             332
```

DOE Step Fields

Step Number

This is hard coded on the screen.

Method Code

This is a required field. The method code (MC) dictates the method of calculation for the step. See *Transaction Descriptions* for values. If it is not entered, the system will default to 1.

Amount/Percent/Per Hour Entry (AMT/PCT)

This is a required field. The amount/percent/per hour entry is used with the method code to determine the actual DOE amount. The value entered in the Amount/Percent field can be a fixed amount, percentage, amount per hour (two or four decimals), or a tabled number (Screen 373).

Step Maximum

This is a required field. The step maximum (LIMIT) defines the upper limit of the step. This is used to determine which steps are active in a payroll cycle (two decimals).

Prorated Calculation

A crossover indicator value of **3** specifies to prorate the calculation across all applicable steps.

Note that the calculation is only prorated across steps that occur **after** the initial entry step. If the current cycle contains negative earnings that reduce the to-date accumulation on which step determination is based, the system will not recognize the need to go backwards to a prior step for the current calculation.

Example

DOE 25 is a step DOE based on regular earnings year-to-date. The crossover indicator specifies to prorate the calculation across all applicable steps.

Considerations

Consider the following information when you define the step DOE.

Earnings are calculated in this sequence.

- Regular earnings
- Overtime earnings
- Other earnings (in priority sequence)

The DOE calculation sequence is described in this table.

Sequence	Description
1	All earnings are calculated before any deductions.
2	Deductions are calculated in priority sequence following taxes (unless otherwise specified).
3	Step base determination is made on current pay period earnings or to-date accumulations.

Note: The DOE calculation is always current. A deduction calculation can be a percentage of earnings, another deduction or deductions, or a combination of the two. Other earnings cannot be calculated as a percentage of a deduction.

Examples

As these sample transactions demonstrate, the DOE has three steps.

- Step 1 applies until regular earnings year-to-date reaches $2,000.00.
- Step 2 applies up to $10,000.00.
- Step 3 applies thereafter.

Example 1

Assume regular earnings year-to-date after the last pay cycle was $2,200.00, regular pay for the current pay cycle is -$500.00, and year-to-date after this pay cycle is $1,700.00.

The calculation for DOE 25 for this pay cycle will be based entirely at the rate specified for Step 2. Step 2 is the entry step because the prior year-to-date accumulation ($2,200.00) fell within the range of Step 2. The entire calculation is at that rate because the system cannot go backwards to Step 1 because the year-to-date at that point will be $1,700.00, which falls within the range of the first step.

```
ACTION: ____
L1: TN L2: RB
NEXT DOE CODE: JL     ORGANIZATION STEP DOE INFORMATION

DOE SB/XO********* DEFINITION OF WAGES *********STP M   AMOUNT/     DOE STEP
CD   IND  1   2   3   4   5   6   7   8   9  10 NBR C   PERCENT      MAXIMUM
HB   7 2 G1                                       1: 4 * 0          999999999.99
                  2:            .00          .00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00
HC   1 1 REG                                      1: 1       100.00      1000.00
                  2:            .00          .00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00
JF   1 2 TOT ZA                                   1: 1          .00       100.00
                  2: 4        .0300       200.00 3: 4        .0250 999999999.99
                  4:            .00          .00 5:            .00          .00

----------------------------  NEW STEP DOE ENTRY ----------------------------
25   2 3 REG ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: 4 .0300_______ 2000.00_____
                  2: 4 .0500_______ 10000.00____ 3: . 0750________ 999999999.99
                  4: _ _____________ _____________ 5: _ _____________ _____________
__   _ _ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                  2: _ _____________ _____________ 3: _ _____________ _____________
                  4: _ _____________ _____________ 5: _ _____________ _____________
                                                                            332
```

The ten definition of earnings fields can be used with step method code 4, which means the calculation is a percentage of total earnings. What has been defined in Earn 1-10 as earnings is used as the base for the percentage calculation. Remember that these fields can be used to add up to ten items together or to subtract up to nine items from actual total earnings.

Example 2

In this example, two steps are being set up. The first step is for $5.00 until the employee's year-to-date earnings (base indicator = 2) reach $3000. Step 2 takes over, in the amount of $7.50, for the next $6,000, or until the employee's year-to-date earnings reach $9,000.

```
ACTION: ____
L1: TN L2: RB
NEXT DOE CODE: X7     ORGANIZATION STEP DOE INFORMATION

DOE SB/XO********* DEFINITION OF WAGES *********STP M   AMOUNT/     DOE STEP
CD   IND  1   2   3   4   5   6   7   8   9  10 NBR C   PERCENT      MAXIMUM
XN   1 3                                        1: 1          .00       100.00
                  2: 4        .0300       200.00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00
XW   1 3                                        1: 1          .00       100.00
                  2: 4        .0300       200.00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00
X6   1 3                                        1: 1          .00       100.00
                  2: 4        .0300       200.00 3:            .00          .00
                  4:            .00          .00 5:            .00          .00

------------------------------  NEW STEP DOE ENTRY ------------------------------
67   2 3 TOT ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: 1 5.00________ 3000.00_____
                  2: 1 7.50________ 9000.00_____ 3: _ _____________ _____________
                  4: _ _____________ _____________ 5: _ _____________ _____________
__   _ _ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                  2: _ _____________ _____________ 3: _ _____________ _____________
                  4: _ _____________ _____________ 5: _ _____________ _____________
                                                                              332
```

Example 3

If the step base indicator defines the basis for step determination as the accumulation in the DOE itself (codes 1, 3, or 5), the definition fields can still be used with the step method code of 4 for the purpose of actually calculating the DOE amount.

```
ACTION: ____
L1: TN L2: RB
NEXT DOE CODE: X7     ORGANIZATION STEP DOE INFORMATION

DOE SB/XO********* DEFINITION OF WAGES *********STP M   AMOUNT/     DOE STEP
CD   IND  1   2   3   4   5   6   7   8   9  10 NBR C   PERCENT      MAXIMUM
XN   1 3                                        1: 1          .00       100.00
                 2: 4        .0300       200.00 3:            .00          .00
                 4:            .00          .00 5:            .00          .00
XW   1 3                                        1: 1          .00       100.00
                 2: 4        .0300       200.00 3:            .00          .00
                 4:            .00          .00 5:            .00          .00
X6   1 3                                        1: 1          .00       100.00
                 2: 4        .0300       200.00 3:            .00          .00
                 4:            .00          .00 5:            .00          .00

----------------------------  NEW STEP DOE ENTRY -----------------------------
26   2 3 TOT O/T 05  07  14  ___ ___ ___ ___ ___ 1: 4 .0300_______ 3000.00_____
                 2: _ _____________ _____________ 3: _ _____________ _____________
                 4: _ _____________ _____________ 5: _ _____________ _____________
__   _ _ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                 2: _ _____________ _____________ 3: _ _____________ _____________
                 4: _ _____________ _____________ 5: _ _____________ _____________
                                                                            332
```

In a previous example, the basis for step determination for DOE 26 was specified as year-to-date earnings. Earnings means actual total earnings minus overtime and DOEs 05, 07, and 14. Now step number 1 for DOE 26 is established and the method of calculation is a percentage of total earnings. The percentage specified is 3 percent. The actual calculation is 3 percent of total earnings minus overtime, DOEs 05, 07, and 14.

Example 4

This example indicates that the active step is determined by DOE 58 year-to-date accumulation. The calculation of Step 1 is 2 percent of the current amount in DOE 41.

```
ACTION: ____
L1: TN L2: RB
NEXT DOE CODE: X7     ORGANIZATION STEP DOE INFORMATION

DOE SB/XO********* DEFINITION OF WAGES *********STP M   AMOUNT/     DOE STEP
CD   IND  1   2   3   4   5   6   7   8   9  10 NBR C   PERCENT      MAXIMUM
XN   1 3                                        1: 1          .00       100.00
                 2: 4        .0300       200.00 3:             .00          .00
                 4:            .00          .00 5:             .00          .00
XW   1 3                                        1: 1          .00       100.00
                 2: 4        .0300       200.00 3:             .00          .00
                 4:            .00          .00 5:             .00          .00
X6   1 3                                        1: 1          .00       100.00
                 2: 4        .0300       200.00 3:             .00          .00
                 4:            .00          .00 5:             .00          .00

------------------------------  NEW STEP DOE ENTRY -------------------------------
58   1 1 41_ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: 4 .0200_______ 2000.00_____
                 2: _ _____________ _____________ 3: _ _____________ _____________
                 4: _ _____________ _____________ 5: _ _____________ _____________
__   _ _ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                 2: _ _____________ _____________ 3: _ _____________ _____________
                 4: _ _____________ _____________ 5: _ _____________ _____________
                                                                              332
```

Examples for Using Step DOEs

This section contains examples of how the step DOE function is used.

Example 1

DOE 56 is a deduction for an employee's contribution to a pension fund. The amount the employee can contribute depends on the employee's year-to-date earnings, excluding payments in DOEs 15, 16, and 21. On the employee's first $5,000 earnings, no contribution is made.

The employee can contribute 3 percent of the next $10,000 and 2.5 percent of earnings over $15,000. If an employee's earnings cross step boundaries in one cycle, step calculations are prorated across all applicable steps.

```
ACTION: ____
L1: TN L2: RB          INVALID STEP AMT/PCT
NEXT DOE CODE: X7      ORGANIZATION STEP DOE INFORMATION

DOE SB/XO********* DEFINITION OF WAGES *********STP M   AMOUNT/     DOE STEP
CD   IND  1   2   3   4   5   6   7   8   9  10 NBR C   PERCENT      MAXIMUM
XN   1 3                                        1: 1          .00       100.00
                 2: 4        .0300       200.00 3:            .00          .00
                 4:            .00          .00 5:            .00          .00
XW   1 3                                        1: 1          .00       100.00
                 2: 4        .0300       200.00 3:            .00          .00
                 4:            .00          .00 5:            .00          .00
X6   1 3                                        1: 1          .00       100.00
                 2: 4        .0300       200.00 3:            .00          .00
                 4:            .00          .00 5:            .00          .00

----------------------------  NEW STEP DOE ENTRY -----------------------------
56   2 3 15_ 16_ 21_ ___ ___ ___ ___ ___ ___ ___ 1: 1 .00_________ 5000.00_____
                 2: 4 .0300_______ 15000.00____ 3: 4 .0250_______ 999999999.99
                 4: _ _____________ _____________ 5: _ _____________ _____________
__   _ _ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                 2: _ _____________ _____________ 3: _ _____________ _____________
                 4: _ _____________ _____________ 5: _ _____________ _____________
                                                                          332
```

This calculation is accomplished using the preceding entries. Any employee for whom DOE 56 is established on an NK/RK transaction is subject to the calculation automatically, unless an override is introduced.

Example 2

Suppose the organization plans to match the employee's contribution. An employer-paid DOE (type H) can be set up (DOE code 60, for example) as the second step DOE. It is 100 percent of the employee's contribution, and there is only one step.

```
ACTION: ____
L1: TN L2: RB
NEXT DOE CODE: X7     ORGANIZATION STEP DOE INFORMATION

DOE SB/XO********* DEFINITION OF WAGES *********STP M   AMOUNT/     DOE STEP
CD   IND  1   2   3   4   5   6   7   8   9  10 NBR C   PERCENT      MAXIMUM
XN   1 3                                        1: 1          .00       100.00
                 2: 4        .0300       200.00 3:            .00          .00
                 4:            .00          .00 5:            .00          .00
XW   1 3                                        1: 1          .00       100.00
                 2: 4        .0300       200.00 3:            .00          .00
                 4:            .00          .00 5:            .00          .00
X6   1 3                                        1: 1          .00       100.00
                 2: 4        .0300       200.00 3:            .00          .00
                 4:            .00          .00 5:            .00          .00

----------------------------  NEW STEP DOE ENTRY -----------------------------
60   2 1 56_ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: 4 1.0000_____ 999999999.99
                 2: _ _____________ _____________ 3: _ _____________ _____________
                 4: _ _____________ _____________ 5: _ _____________ _____________
__   _ _ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ 1: _ _____________ _____________
                 2: _ _____________ _____________ 3: _ _____________ _____________
                 4: _ _____________ _____________ 5: _ _____________ _____________
                                                                            332
```

The basis for calculating DOE 60 is DOE 56. The system accumulates and reports the employer's expense based on the employee's contribution, which, in turn, is based on the employee's earnings to date.

Resetting a Step DOE

When you are resetting a step DOE or an individual step at level 2, consider the information on record at the employee level. The nullification of the step function does not inactivate the DOE itself; it merely returns it to normal DOE status. Sufficient information can still be found at the employee level to cause continued calculation as a normal DOE.

The principle of resetting or nullifying a step previously established at the organization level is the same. If the step is entered or overridden at the employee level on Screen 60, that step entry still exists for the employee(s) involved. If you reset a step in the sequence, such as Step 3, the system treats it as if it never existed and continues processing from Step 2 to Step 4.

Screen 27 or CS-A - DOE Assumption Data Entry

Use DOE assumptions to enter DOE data at the organization level. The system will then automatically create batch NK/RK transactions to set up the DOE at the employee level, under certain conditions.

```
ACTION: ____  CURR: 027  NEXT: 10   EFF DATE: ________
    L1: AA  L2: AA

               *  *  *  DOE ASSUMPTION DATA ENTRY  *  *  *

                                                  *LIMIT/TAX OPT   *
      CODE DOE  STEP  METH PER  TYPE  AMT/PCT     *DATES/SORT    CD*  TABLE NO
# ____ _    ___   _     _    _    _   ____________  ____________  _   ________
# ____ _    ___   _     _    _    _   ____________  ____________  _   ________
# ____ _    ___   _     _    _    _   ____________  ____________  _   ________
# ____ _    ___   _     _    _    _   ____________  ____________  _   ________
# ____ _    ___   _     _    _    _   ____________  ____________  _   ________
# ____ _    ___   _     _    _    _   ____________  ____________  _   ________
# ____ _    ___   _     _    _    _   ____________  ____________  _   ________
# ____ _    ___   _     _    _    _   ____________  ____________  _   ________
# ____ _    ___   _     _    _    _   ____________  ____________  _   ________
# ____ _    ___   _     _    _    _   ____________  ____________  _   ________

                                          ***MULTI-USE FIELD CD OPTIONS***
                                          N=LIMIT T=TAX OPTIONS C=SORT CODE
                                                  D=START DATE  S=STOP DATE
```

The automatic generation of the RK transaction is based on the assumption code and is varied by the employee's pay code (hourly or salaried) or pay frequency.

NK transactions are generated for new employees or when a time entry is transaction is entered for a DOE that has not been previously set up for the employee.

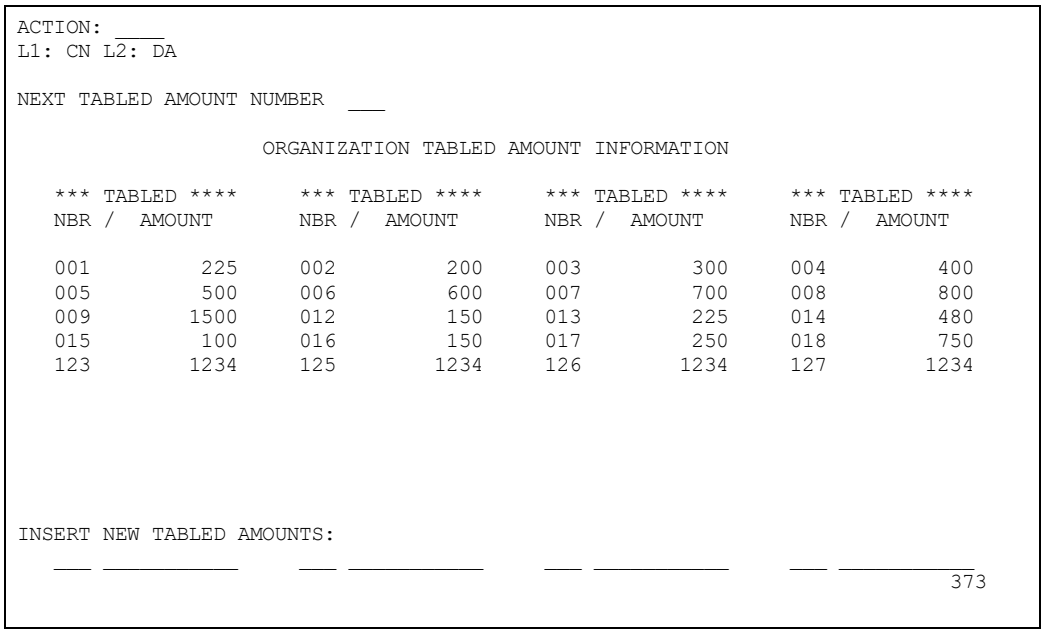
For new employees, an NK is generated on the initial run of setting up an employee. RK transactions are also created for DOEs on time entry transactions when those DOEs have not been set up previously. Assumption DOEs can be used when a large number of employees use a DOE with common values. NK transactions are created in the Validation process step.

Fields

The assumption number is used to identify the assumption. There can be a maximum of 100 assumptions per level 2. The assumption code identifies the conditions under which the DOE is created on an NK/RK transaction. Valid values are defined in the *Transaction Descriptions* guide (NK/RK transaction).

Screen 371 or DOE-TAB - Tabled Amounts

Tabled amounts are amounts entered at the organization level instead of at the employee level. Then, at the employee level, a pointer is entered referring back to a specific amount at the organization level. This provides the flexibility of changing amounts once at the organization level. Up to 999 tabled amounts can be set up for an organization.



```
ACTION: ____
L1: CN L2: DA

NEXT TABLED AMOUNT NUMBER  ___

                    ORGANIZATION TABLED AMOUNT INFORMATION

   *** TABLED ****     *** TABLED ****     *** TABLED ****     *** TABLED ****
   NBR /  AMOUNT       NBR /  AMOUNT       NBR /  AMOUNT       NBR /  AMOUNT

   001         225     002         200     003         300     004         400
   005         500     006         600     007         700     008         800
   009        1500     012         150     013         225     014         480
   015         100     016         150     017         250     018         750
   123        1234     125        1234     126        1234     127        1234




INSERT NEW TABLED AMOUNTS:
   ___ __________     ___ __________     ___ __________     ___ __________
                                                                       373
```

Decimals are not entered on the screen. Decimal placement is determined by the method code on the NK/RK transaction. Therefore, in the preceding example, Tabled Number 013 could be $2.25 or 2.25% (.0225) depending on the NK/RK method code.

The tabled number is entered in the Amount/Percent field of the NK/RK transactions. The value can be entered as ***NNN** where NNN is a number between 001 and 999.

Screen 29 or CS-P - Definition of Vacation Wages (Canadian Organizations)

Besides accumulating vacation hours, the system accumulates vacationable wages and vacation earnings or percentage (current, month-to-date, quarter-to-date, and year-to-date accumulation).

The wages subject to vacationable wage accumulation are determined by the user through the definition of vacationable wages fields described in this table.

Code	Description
TOT	Regular + O/T + OE (including employee-paid Quebec Medicare)
REG	Regular Earnings (from ZT time transactions only)
O/T	Overtime
xx(blank)	Valid DOE code
VAC	Vacation earnings (from ZV time transactions only)

If **TOT** is entered, it must be in the first definition of vacationable wages field. If anything is entered in the other fields, they are subtracted from total wages. If **TOT** is not entered, the fields are added together.

Note: **VAC** is an exception. **VAC** is always added, whether **TOT** is entered or not.

Example

In this example, vacationable wages is defined as total current wages minus current overtime, minus current amount for DOE code 12, plus vacation earnings.

```
ACTION: ____  CURR: 29   NEXT:      EFF DATE: ________
     L1: CN  L2: DA CNTRY: C

                          CANADIAN ORGANIZATIONS

          --- DEFINITION OF VACATION WAGES ---

          01: TOT                   11:                 VAC CODE:  4
          02:                       12:
          03:                       13:               * PP END DATE INFO *
          04:                       14:                 INTERVAL ID: 1
          05:                       15:                 SEMIMONTH 1: 15
          06:                       16:                 SEMIMONTH 2: LL
          07:                       17:                 MONTHLY:     LL
          08:                       18:
          09:                       19:               * ANNUAL # OF PP *
          10:                       20:                 WEEKLY:    52
                                                        BIWEEKLY:  26
```

The definition of vacationable wages cannot be overridden at the employee level. The vacation percentage code determines the percentage of vacationable wages that are accumulated as vacation earnings. The vacation percentage code points to the appropriate tabled amount (entered on Screen 373) to use in the calculations.

The vacation percentage code can be overridden at the employee level on Screen 79 or the NG/RG transaction.

Setting Up a 401(k) Deferred Compensation Plan

A 401(k) deferred compensation plan is a benefit plan that allows employees to receive compensation as a contribution to a qualified profit sharing or a qualified stock bonus plan. Deferred compensation plans can be set up as an excludable (type G) deduction. Because the compensation deferred under this plan is not considered current income, no federal income tax is paid on the contribution or investment earnings until the employee actually receives the money.

Employer and employee FICA and FUI taxes are levied on these deferred amounts so that the employee will receive the social security credit at the time the money is earned. State and local taxing requirements vary. You can select the taxing options for states in which you pay either at the organization level (Screen 330) or the employee level (Screen 225).

By using the company-level type G DOE, gross earnings will be reported including the deferred amounts. The taxable wage accumulators will reflect deferred amounts only if you have selected taxing options requiring taxes to be taken.

Processing Excludable Deductions

The system handles excludable deductions, such as deferred compensation plans, differently from normal deductions. If the system determines that after taking taxes and previous deductions not enough remains in earnings to take an excludable deduction, the system lowers the amount of the deduction and recalculates taxable wages and taxes. This keeps taxes, taxable wages, and deduction amounts correct; however, recalculating taxes can degrade the performance of the Compute program.

To reduce this impact on Compute, you can use employee-level type codes that specify to take all or none of the deduction (employee-level type codes A, B, or N) when assigning excludable deductions for an employee.

Assigning Personnel Run Options

Many report options are available within the system. Some of these options concern page breaks on different levels (either before or after totals have been printed), double-spacing between employees, and selection by particular levels of control or employee numbers. Report options must be entered before employee data is entered.

Assigning Report Format Options (Screen 15)

This table describes transactions used for batch processing.

Transaction	Contents
PA-1, PA-2, and PA-4	Report format options
PB	Report generate options
P2	Report print options
P1	Report date information

When executing HCM:E overrides, you must input the batch transactions into the override file.

```
ACTION: ____  CURR: 15   NEXT: 15   EFF DATE: ________
    L1: AA  L2: AA

                         PERIOD BEGIN DATE:            PERIOD BEGIN IND:
                           PERIOD END DATE: ________     PERIOD END IND: _
                         REPORT PRINT DATE: ________
 MAJOR SEQUENCE: _       POSITION CNTL IND: _

            GEN PRT SEL  OPTIONS                    GEN PRT SEL  OPTIONS
 PROFILE 1: _   _        _________    JOB GROUP ANLYS: _   _       _______
 PROFILE 2: _   _                   WORK FORCE ANLYS: _   _       ______
 PROFILE 3: _   _                     SECTOR ANALYSIS: _   _       ______
   REVIEWS: _   _        _________ SECTOR UTIL ANLYS: _   _       ______
EEO-1 STAT: _   _        _____     UTILIZATION ANLYS: _   _       ___________
     EEO-4: _   _        _____
                                  ---- BENEFITS ----
      LOA: _   _         ________             PROFILE: _   _
 TERM EMPL: _   _        _________   DEMO PLAN ANLYS: _   _
                                        NOTIFICATION: _   _
 ADDR LBLS: _   _        ____
```

Position Control

The Position Control option field is for Position Control users **only**. For Position Control users with the module installed, this field is used to specify employee job information entering the batch system on either a PH-5 or a PF-6 transaction. Valid values and options can be found in the *Transaction Descriptions* guide.

Note that the system ignores entries made when the Position Control module is not installed.

Report Selection Parameters in Batch Processing

PD Transactions

The PD-1 and PD-2 transactions are used to enter control information at report generation time. These transactions are described in this table.

Transaction	Function
PD-1	Allows any four fields in the Employee Master File to be used as minor sort sequence
PD-2	Controls selection of specific levels (**3**, **4**, and **5**) or employee numbers

PD-1 Transaction

To use the user-defined sort sequence option on reports for which it is available, the minor sequence field on the PA-1 or PA-2 transaction, or both, must contain **4**.

The PD-1 transaction allows a selection of four fields to use for sequencing. The four sequence fields define the data from the Employee Master File to use to establish a 30-position sort key.

Field Number and Length

Each field in the Employee Master File has a defined number and length that is shown on the Selection and Print Control charts. For more information, see the *Technical Guide.*

The total length of these fields must be 30 or less. If an EEO Statistical Analysis or EEO-4 report is selected in positions 42-53 of the PD-1 transaction, the total length of these fields must be 25 or less.

Determining Which Reports Use the Sort Key

Positions 42-53 are used to indicate the reports you want to use the 30-position sort key defined by this PD-1 transaction. If several reports need to be sequenced by the same fields, only one PD-1 transaction is required. The relationship between positions and reports is provided in the *Transaction Descriptions* guide. This feature allows the user to assign each HCM:E report a unique minor sorting sequence.

Example

To produce the Terminated Employees report by employee number, employee age and EEOC group code, enter these values:

Positions	Value
18-23	**201003**
24-29	**606016**
30-35	**606017**
49	*

PD-2 Transaction

The PD-2 transaction is used for report selection. This transaction is used to select specific levels or to select specific employees. Different selection parameters can be specified for each report.

The PD-2 transaction can be used to select specific levels only. This is accomplished by entering the levels in the appropriate positions.

Example

To select administrative employees (level 4 = ADMN) only, enter these values:

Position(s)	Value
3-6	****
18-21	****
22-25	**ADMN**
26-29	****

The asterisks indicate that all values for that particular level are acceptable.

Selection by Employee Number

If selection is to be done by employee number, enter the employee numbers in positions 30-39 using a maximum of 25 PD-2 transactions.

Determining Which Reports Use the Selected Employees

To specify the reports that you want to use the employees selected, enter an asterisk in the appropriate position. Positions 42-53 are used for this purpose. See the *Transaction Descriptions* guide to determine the relationship between the positions and the reports. If selection parameters are defined for a report, the print selection option on Screen 15 (PA-1, PA-2 batch) must contain an asterisk in the appropriate position.

PD-2 Transaction - Alternate (Benefits Users Only)

The PD-2 alternate transaction is used for plan selection in the Demographic Plan Analysis report. A maximum of 30 plans for selection is permitted.

To specify a select plan for demographic reporting, the PD-2 transaction is entered with this data:

Position(s)	Description
1-17	Contain the same criteria as the usual PD-2 transaction
18-36	Must contain blanks
37-39	Contain the 3-position plan for selection
40-62	Must contain blanks
63	Contain * to specify to select this plan for the Demographic Plan Analysis
64-80	Must contain blanks

4 Managing Employee Information

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Introduction

After you establish your organization, you need to provide the system with some information about the employees you are going to process. The procedure that you use for entering all employees initially or for adding new employees in the future is the same.

After employees are on the system, you must maintain the information to keep it current.

In some cases, you will want to set up health care information (OBRA) for your employees and their dependents. This process is discussed in a set of topics at the end of this chapter.

Setting Up Basic Employee Information

Minimum Information Required

The following lists show the minimum information required to add an employee to the Employee Master File. For information about options and valid values for the fields mentioned in this chapter, see the *Transactions Descriptions* guide or enter **Help** in the Action field.

U.S. Organizations

- Employee Number
- Level 1
- Level 2
- Employee Name
- Social Security Number
- Pay Frequency and Pay Code
- Federal Tax Method
- Marital Status
- Number of Exemptions
- State in which Employee Works
- Employee Sex Code
- EEOC Code
- Employee Birth Date

Canadian Organizations

- Employee Number
- Level 1
- Level 2
- Employee Name
- Social Insurance Number
- Pay Frequency and Pay Code
- Federal Taxing Authority
- Federal Tax Method
- Provincial Taxing Authority
- Canadian Pension Plan Indicator
- Employee Birth Date

Screens Used

To add employees to the system you will use these screens:

Function	Realtime Screen	Online U.S. Screen	Online Canadian Screen
Adding an Employee Task:			
Setting Up Basic Employee Information	218	40	37
	221	40	NA
	222	40	37
Setting Up Taxing Information	219 (US)	125	NA
	227 (Canada)	NA	124
Setting Up Financial Services	224	740 - 749	740 - 749
		43	37

Transactions in Batch Processing

The batch transactions for adding an employee to the system are grouped as required and optional.

Some transactions can begin with either **N** (indicating a new employee) or **R** (indicating an employee already on the system) in Position 1. In the following lists, all these transactions are shown as **N** transactions. When a new employee is added to the system, transactions NA, NB, and ND-1 must always contain **N** in Position 1.

Required

To add an employee to the system and generate pay only, these transactions are required:

- NA
- NB
- ND1
- PF-1 (required if you are adding personnel segments to the employee's record)

Optional

These transactions are optional when adding a new employee to the system:

- NC1, NC2
- ND1*
- ND2
- NE
- NF
- NG
- NH
- NI
- NJ
- NK
- SA
- SB
- PF-2 through PF-9
- PG-1 through PG-6 and PG-9
- PH-1 through PH-4 and PH-7
- PV-1 through PV-9

Screen 218 - New Employee Information

To add an employee to the Master file, access realtime screens 218 and 219 or online screen 40 (U.S.) or 37 (Canada).

```
ACTION: ____ CURRENT: 218 NEXT: 219
L1: AL L2: WA EMPLOYEE NO:       9988 ALL HIGHLIGHTED FIELDS MUST BE ENTERED

                          NEW EMPLOYEE INFORMATION
LAST NAME:  ____________________________________     SUFFIX: ___
FIRST NAME: _______________                  MIDDLE NAME: _______________

ADDRESS:    ____________________________________
            ____________________________________
            _________________________ __
ZIP CODE:   _____ - ____


SOC SEC NUM: __________

WORK STATE:    __          RES STATE:    __          WORK/RES IND: _
PAY FREQ:      _           PAY CODE:     _           SHIFT CODE:   _
NORMAL HOURS:  ______      HOURLY RATE:  __________  SALARY:       ____________
BIRTHDATE:     ____/__/__  SEX CODE:     _           EEO CODE:     ___

EMPLMNT CODE:  __          EMPLMNT DATE: ____/__/__  EMPL STATUS:  __
LEVEL-3:       ____        LEVEL-4:      ____        LEVEL-5:      ____
EXT DISTRIB:   __________
```

Fields

L1L2

The fields for Level 1 and Level 2 are required.

Employee Name

This is a required field. The employee name field is divided into four separate fields as follows:

Length	Description	Comments
30	Last Name	Required, alphanumeric, left justified, reset not applicable.
15	First Name	Alphanumeric, left justified.
15	Middle Name	Alphanumeric, left justified.
3	Name Suffix (JR, SR, III, etc.)	Alphanumeric, left justified.

The four name component fields are stored in the 203 segment and are used to create a compressed 35-character name in the 201 segment that is used on most reports and checks.

Length	Description	Comments
35	Compressed Name	Auto-generated during maintenance update when any of the name component fields are modified. Significant characters (excluding leading and trailing blanks) from name component fields are concatenated in the following order: 1. Last Name 2. If Name Suffix is not blank… 2.A One space 2.B Name Suffix 3. Comma and two spaces 4. First Name 5. One space 6. Middle Name The result will be truncated to a maximum length of 35 characters (minimum of the complete last name and the first two characters of the first name.)

If any of the four name components is modified, during batch or realtime update or both, a new 35-character name field will be logically reconstructed and stored in the employee's record. The procedure for creating the 35-character name is shown in the Preceding table.

The full 63-character name is stored in the 203 segment as four separate fields. If any part of the name is maintained, all name fields must be entered if updates are being done with the NB/RB transaction or online screen 37(Canada) or 40 (U.S.). For example, if you change the Last Name field, you must also enter the First Name, Middle Name, and Suffix fields if you want them stored on the employee's record. Any name field not entered will become blanks. The Last Name field is always required.

If name changes are entered realtime (screen 221), only the changed name fields must be entered. Parts of the name that are not changing will remain as is on the Master file.

Employee Number

This is a required field. It must be a unique number within the L1-L2 the employee is being assigned to.

SSN or SIN

The social security number (U.S.) or social insurance number (Canada) is a required field. The Canadian Social Insurance Number field contains a check digit.

Employee Pay Frequency

This is a required field. The employee pay frequency tells the system how often the employee is paid. For example, a code of **1** indicates a weekly paid employee or 52 pay periods a year.

Employee Pay Code

This is a required field. The employee pay code tells the system what method to use to pay the employee. These methods for paying an employee are available:

Code	Description	Time Transaction
1	Hourly	Required
2	Salaried with overtime	Required
3	Salary exempt from overtime	Required
4	Hourly	Not required
5	Salaried with overtime	Not required
6	Salaried exempt from overtime	Not required

Codes 1 - 3

Codes 1 through 3 require you to use a time entry transaction to pay that employee; however, a time entry transaction can be used for **any** employee.

For Employee Pay Code 1, the Normal Hours and Normal Rate fields can be entered, but they are not required.

For Employee Pay Codes 2 and 3, the Normal Salary field can be entered, but it is not required.

Code 4

Code 4 requires you to complete the Hourly Rate and Normal Hours fields.

Codes 5 and 6

Codes 5 and 6 require you to complete the Normal Salary field.

Levels

The fields for levels 3, 4, and 5 are optional fields. Depending on your organization (level 2) options (see the Putting an Organization on the System chapter) for totals by level, page breaks by level, and level descriptions, you enter your code for each level being used.

For example, if you have defined levels 3 and 4 in your level descriptions, coded the totals by level for level 4, and coded the page break by levels for level 3, enter your levels 3 and 4 codes for the employee to assign the employee to one of your defined levels. Level 5 can be coded or left blank because it is not referenced for your organization.

Employee Status Code

This is an optional field. The Employee Status Code field consists of two positions: only the first position is used by the system. When adding an active employee, the first position must be blank. The second position is used by Canadian organizations only. See the discussion in the ROE Data Fields section in this topic.

Employment Code

This is an optional field. For U.S. organizations, it is user defined, and it is not used by the system. For Canadian organizations, it can indicate a Rehire and clears EI/QPIP accumulators.

Employment Date

For Canadian organizations, this field is used to record the first EI Day Worked for a New Hire (NA). For valid values, see the *Transactions Descriptions* guide.

Normal Shift Code

See the field description in the Screen 220 - Employee Salary Maintenance topic in this chapter.

Extended Labor Distribution Code

See the field description in the Screens 218 and 222 - Extended Distribution topic in this chapter.

ROE Data Fields

For Canadian organizations, these fields have a special use in producing the Record of Employment:

- Second position of the Employment Status field
- Second position of the Employment Code field
- Employment date

For more information, see Canadian Regulatory Reporting in the Reporting chapter of this guide.

Employee Status (Second Position)

The second position of Employee Status field identifies the employees paid under Title II of the Unemployment Insurance Regulations Section 54. The qualification for EI for these employees is based on dollars earned. A code of **C** in the second position identifies these employees.

Screen 219 - New Employee Payroll Taxing Options

Taxing methods and amounts for federal, state, and local taxes are set up for each employee on the realtime Screen 219 or online Screen 125 (U.S.) or 124 (Canada) and the ND-1 and ND-2 transactions in batch. Also, HRMS Tables File transactions are required for reporting the employee's tax information on

- Annual wage statements for employees and retirees
- State quarterly reports
- Payroll tax processing summaries.

The transactions needed for payroll reporting are explained in the *Reports Guid*e; those for tax reporting, in the *Regulatory Reporting Guide*.

```
ACTION: ____ CURRENT: 219 NEXT: 220
L1: AL L2: WA EMPLOYEE NO:       9988

                     NEW EMPLOYEE PAYROLL TAXING OPTIONS

       NAME: LAST,  NAME

       SOC SEC NO: 012456789

                   TAX   MARITAL              AMOUNT/      AMOUNT OF 1
                 METHOD  STATUS    EXEMPTIONS  PERCENT      EXEMPTION     CODE
       FEDERAL      _       _         ___     ___________
       STATE        _       _         ___     ___________
       COUNTY       _       _         ___     ___________   ___________    ___
       CITY         _       _         ___     ___________   ___________    ____


       FICA INDICATOR:          A             SPEC TAX HANDLING IND: __
       FUI INDICATOR:           Y
       EMPLOYER SUI INDICATOR:  A
       EMPLOYEE SUI INDICATOR:  Y
       EMPLOYEE SDI INDICATOR:  A
```

Federal Tax Information Fields

Federal Tax Method

This is a required field. The Federal Tax Method field defines which method of calculating federal taxes you want the system to use. For an explanation of the choices, see the *Transaction Descriptions* guide.

Federal Marital Status

This is a required field. The Federal Marital Status field identifies whether the employee is single, married, or head of household.

Federal Exemptions

This is a required field. The Federal Exemptions field defines the number of exemptions the employee claims.

Federal Amount/ Percent

Depending on the Federal Tax Method you selected, the Federal Amount/Percent field can be required. If the federal tax method is 2, 3, 4, or 5, the Federal Amount/Percent field is required. It is used as the base for special calculations.

If the...	Then the...
Federal tax method is 2, 3, 4, 5, 7, or 8	Federal Amount/Percent field is required.
Tax method is 3, 5, or 8	Percentage is entered in the field using 4 decimal positions where **01000** is 100 percent.
Tax method is 2, 4, or 7	Amount is entered in the field, using two decimal positions, where **002233** is $22.33.

See the *Transaction Descriptions* guide for more valid field values.

State Tax Information Fields

State Tax Method

This field is optional. The State Tax Method field indicates what type of calculation is required for the state tax. The six available codes are described in detail in the *Transaction Descriptions* guide.

State Marital Status

This field is optional. The State Marital Status field identifies whether the employee is single, married, or head of household. Additional values are provided to identify special combinations of marital and filing status. For more information, see the *Tax Reference Guide*.

State Exemptions

This field is optional. This field defines the number of exemptions for the employee.

State Amount/ Percent

This field is optional. The State Amount or Percent field is used with the State Tax Method field for tax methods 2, 3, 4, and 5. It is used as the base for special calculations.

State Worked In

This is a required field. This field defines the state in which to tax the employee. If a resident-work state situation occurs, such as Washington-Maryland-Virginia or New York-New Jersey, special attention is required. See the discussion for Screen 214 for details about the Home Work/Resident State Tax Method field.

If the State Worked In or Resident State is a state that requires information accumulated in a special SALTA, the system will automatically create the special SALTA. For example, when you enter **31** for New Jersey in either the State Worked In or Resident State field, the system creates the special New Jersey SALTA 72. You need to make sure the employee you are adding has room for 2 SALTAs. If not, the system will not create either SALTA.

Resident State

This field is optional. The Resident State field defaults to the Work State if it is not entered for a new employee. If the work and resident states are different, you will need to use an NG transaction or realtime Screen 214 to identify the proper taxing state. For information about special SALTAs, see the discussion of the State Worked In Code field in this topic.

County Tax Information Fields

County Tax Method

This field is optional. The County Tax Method field identifies whether an employee is a resident or non-resident and which method of calculation to use. The six available codes are described in detail in the *Transactions Descriptions* guide.

County Marital Status

This field is optional. The County Marital Status field identifies whether the employee is single, married, or head of household.

County Exemptions

This field is optional. This field defines the number of exemptions the employee claims.

County Amount of One Exemption

This field is optional. The County Amount of One Exemption field is used with county tax method codes 2 and 5 to determine the value of each exemption claimed. It is also used with county tax method codes 1 and 4 to determine the number of personal exemptions claimed. For detailed explanations, see the *Tax Reference Guide*.

County Amount/ Percent

The County Amount/Percent field is required with county tax methods 2, 3, 5, and 6.

If the tax method is 1 or 4, a percentage of gross wages taxable in the county can be entered using 4 decimals, where **001000** is 10 percent. If this field is left blank, 100 percent is assumed.

If the tax method is 2 or 5, the percentage is entered using 4 decimals, where **001000** is 10 percent.

If the tax method is 3 or 6, the amount is entered using 2 decimals, where **1000** is $10.00.

County Code

The County Code field is user defined to identify the county in which the employee is taxed. It is required for tax method codes 1 through 6.

For tax methods 1 and 4, it contains the payroll-defined taxing authority codes that identify the HCM:E-supported tax formula or the user-maintained tax calculation in the HRMS Tables File.

Social Security/Medicare, SUI, and SDI Fields

Five tax indicators are available for you to use to control the calculation of employee and employer Social Security/Medicare, employee and employer SUI, FUI, and employee SDI taxes.

Social Security/ Medicare

This field is optional. For Social Security/Medicare, you can set up an employee record to calculate either the employee or employer taxes, both taxes, neither tax, or the Medicare portion only.

FUI

This field is optional. For Federal Unemployment Insurance, you can choose whether to accumulate the taxable wages.

SUI

This field is optional. For **State** Unemployment Insurance, you can set up an employee record to report SUI wages as directed by the organization option (CS-1) to the work state, to the resident state, or not at all.

For **employee** SUI, the choice is yes or no. The choice you make here must match the choice you made for employer SUI.

The Employer and Employee SUI indicators are also used to control the calculation of the employer and employee New Jersey Workforce Development Partnership Fund and Health Care Subsidy Fund taxes.

SDI

This field is optional. For employee State Disability Insurance, the choices are to calculate for the work state or the resident state, or do not calculate at all.

Screen 221 - Employee Basic Information

Use realtime Screen 221, online Screen 40 (U.S.), or Screen 37 (Canada) to maintain employee information.

Screen 221 (U.S. Version)

```
ACTION: ____  CURRENT: 221  NEXT: 221
 L1: AL L2: WA EMPLOYEE NO:       1070

                  EMPLOYEE BASIC INFORMATION/PAYROLL MAINTENANCE

     NAME: BAKER,  HELEN ALWA1070                   DATE LAST MAINT: 1994/01/31

     LAST NAME:   BAKER                            SUFFIX: ___
     FIRST NAME:  HELEN                         MIDDLE NAME: ALWA1070

     ADDRESS:     2035-A PEACHFORD ROAD
                  APARTMENT E
                  LOS ANGELES             CA
     ZIP CODE:    92634 - 0000


     SOC SEC NUM:  614435421                SEX:  M

     ***************************** PAYROLL ONLY ******************************
     EEOC: __                                    1099-R:                 _
     ***       PAID THRU        ***              W-2 PENSION IND:        _
     ABA/INSTITUTION -OR- B/CU CODE              STATUTORY EMP IND:      _
        _________          _____                 ESTABLISHMENT CODE: ____
                                                 NON-RES ALIEN IND:  Y
```

Screen 221 (Canadian Version)

```
ACTION: ____ CURRENT: 221 NEXT: 221
L1: CN L2: DA EMPLOYEE NO:       1050 EMPLOYEE NOT ASSIGNED TO A POSITION

                  EMPLOYEE BASIC INFORMATION/PAYROLL MAINTENANCE

     NAME: BARNHARD,  EVANGELINA C.                DATE LAST MAINT: 2000/09/20

     LAST NAME:   BARNHARD                        SUFFIX: ___
     FIRST NAME:  EVANGELINA                  MIDDLE NAME: C.

     ADDRESS:     9843 VANHAULEY WALKWAY
                  RUE SAN LAURENT,
                  QUEBEC

     POSTAL CODE: J8D 9J7

     SOC INS NUM:  252515633               SEX:  F

     ************************** PAYROLL ONLY ****************************

     ***       PAID THRU        ***
     ABA/INSTITUTION -OR- B/CU CODE
        _________          _____
```

Fields

1099-R Indicator

If an employee needs to receive a 1099-R instead of a W-2, set this indicator to **Y** (1099-R option on the TB transaction is N or blank).

Employee W-2 Pension Indicator

For U.S. organizations, the Employee W-2 Pension Indicator field is used to answer the questions "Was employee covered by a qualified pension plan, etc.?" The values are **N** (No) and **Y** (Yes). If this field is not entered or reset to blanks, the question is answered based on the Level 2 W-2 Pension Indicator switch set on Screen 40.

PRU or Hospital Insurance Number

This field is optional. This field indicates the Establishment/Coverage Group payroll reporting unit (PRU) number.

The Establishment code is a user-defined code used by the system for grouping employees on the W-2 tape and W-2 form. A coverage group/PRU code is assigned to state and other political subdivisions to group employees on the W-2 tape and W-2 forms.

Equal Employment Opportunity Code

This field is optional. The Equal Opportunity Code is a user-defined field that is not used by the system.

Screen 222 - Employee Location Maintenance

Use this screen to modify location-related information for Labor Distribution, General Ledger Interface, Check Sequence, or Alternate Check Address.

Screen 222 (U.S. Version)

```
ACTION: ____ CURRENT: 222 NEXT: 222
L1: AL L2: WA EMPLOYEE NO:       1050

                      EMPLOYEE LOCATION MAINTENANCE

     NAME: DERANEY,  PHILLIP                      DATE LAST MAINT: 1994/04/30

     ALTERNATE CHECK ADDRESS:
       ____________________________          CHECK SEQUENCE:          _____
       _________________________             CHECK NAME/ADDR CODE:    2
                                             FORM INDICATOR:          _
       _____ - ____

     LEVEL 3: ____              LEVEL 4: ____          LEVEL 5: ____
     EXT DISTRIB:  __________
     EMAIL: ____________________________________________

     VACATION HOURS AVAIL: 900.00          VACATION ACCRUAL CODE:   9
     SICK HOURS AVAIL:     100.00          SICK ACCRUAL CODE:       1

     UNION CODE:    _____                  WORKER'S COMP CODE:      WC03
     ESS DISPLAY:   _
```

Fields

Check Sequence Number

This is an optional field. You can enter any data you want in the Check Sequence Number field, and the checks are issued in level 1, level 2, check number sequence, and employee number sequence.

Level 3-5

The fields for levels 3, 4, and 5 are optional fields. Depending on your organization (level 2) options (see the Putting an Organization on the System chapter) for totals by level, page breaks by level, and level descriptions, you enter your code for each level being used.

For example, if you have defined levels 3 and 4 in your level descriptions, coded the totals by level for level 4, and coded the page break by levels for level 3, enter your levels 3 and 4 codes for the employee to assign the employee to one of your defined levels. Level 5 can be coded or left blank because it is not referenced for your organization.

ESS Display

This option is for the E Series Active Access Employee Self Service application.

Extended Distribution

This is an optional field. See the field description in the Screen 218 - Extended Distribution topic in this chapter.

This field can be left blank. If it is left blank, a default sequence of level 1, level 2, level 3, level 4, level 5, and employee number is assumed.

Email Address

The email address is optional.

Worker's Compensation Code

For U.S. organizations, the Worker's Compensation Code is a user-defined field that can be used for further sequence breakdown. **EXEC** entered in these positions designates an executive, and it can be used by the Quarterly Reporting function for certain states. For more information, check your State Quarterly Reporting Requirements.

For Canadian organizations, the Worker's Compensation Code and the Statistics Canada Code are user-defined fields. The codes are used to produce the Statistics Canada report.

Vacation and Sick Accrual

The Vacation and Sick Accrual fields are used for the basic vacation and sick accrual routines. If they are left blank or set to blanks, options entered at the organization level on Screen 10 are used.

Vacation Hours and Sick Hours Available

The Vacation Hours Available and Sick Hours Available fields are used to determine the number of hours an employee has for each type. These fields update only the payroll sick and vacation hours (Segment 201); they do not affect the personnel sick and vacation hours (Segment 614). These fields in the Employee Master Record Segment 201 are decreased by the time entry transaction hours entered on the ZT and ZV transactions.

Alternate Check Address

These fields are optional. Use the Alternate Check Address fields to set up an alternate check address for an employee. The three fields are Check Address Line 1, Check Address Line 2, and ZIP Code (U.S. organizations) or Postal Code (Canadian Organizations). Alternate Check address lines are compressed to take advantage of postal discounts.

Check Name/ Address Code

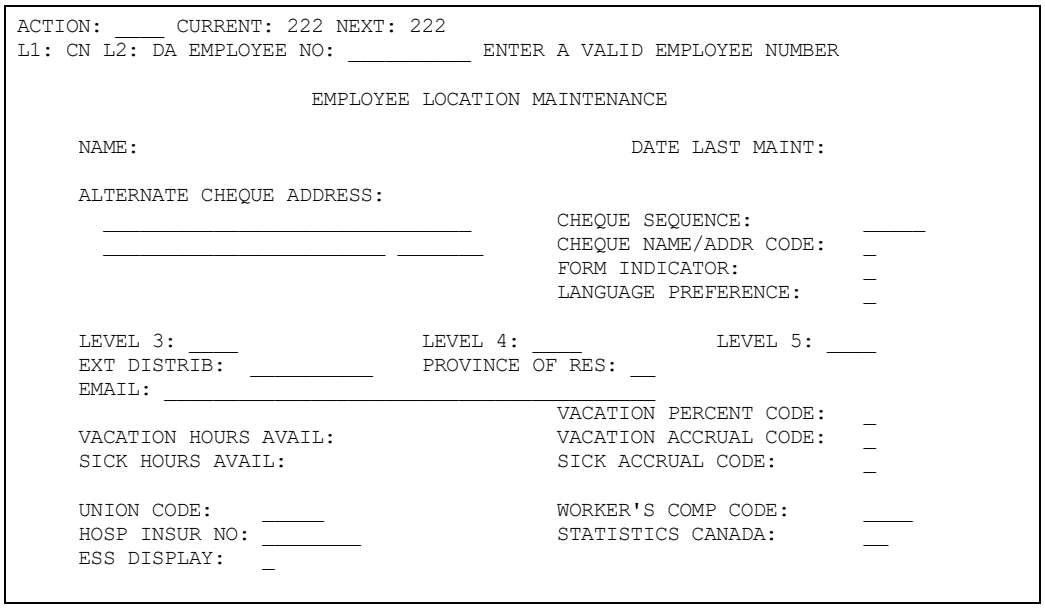
The optional Check Name/Address Code is used with the organization option to print the address on checks.

Check Forms Indicator

This field is optional. Use the Forms Indicator field to set up the check forms to use for this employee.

Canadian Only Fields

Screen 222 (Canadian version)



Province of Residence

This field is optional. The Province of Residence field is a user field that is not used by the system.

Language Preference Indicator

This field is optional. The Language Preference Indicator is used to determine whether to print French (**F**) or English (**E**) on the cheque stub.

If the French language option is selected for any employee in an organization, the French descriptions of the deduction/other earnings for that organization must be placed on the HRMS Tables File using DOE-001 transactions in batch or Screen 331, Organization DOE Information.

Hospital Insurance Number

This optional field is for user-defined purposes only.

Statistics Canada

This optional field is used to group employees for Statistics Canada reporting.

Vacation Percentage Code

The Vacation Percentage Code field indicates how vacation earnings are accumulated. The Vacation Percentage Code field references the tabled amount/percentage entered on Screen 371, Tabled Amounts.

Code	Description
Blank	Use the organization level (level 2) Vacation Percentage Code option entered on Screen 29, Definition of Vacation Wages
0 (zero)	Do not calculate.
1 - 9	Calculate vacation earnings based on corresponding table amount/percentage and vacation wages determined by definition of vacation wages (CS-P transaction).

Setting Up Taxing Information

To set up tax information for an employee, you use these screens:

Function	Realtime Screen	Online U.S. Screen	Online Canadian Screen
Adding an Employee Task:			
Setting Up Taxing Information	219/214	125	NA
	226/227 (Canada)	NA	124
Setting Up SALTA Information	218	40/125	37/124

Inactivate or Delete Tax Information

To inactivate or delete state or local tax information, see the Inactivating or Deleting Tax Information topic in this chapter.

Screen 214 - United States Employee Tax Maintenance

Use realtime Screen 214 to process all tax maintenance needed for all employees for federal, state, and localities.

Fields

It also has the following fields.

Work State Reciprocity Indicator

The Work State Reciprocity Indicator field is used for tax calculation to define the relationship between the state in which an employee resides and the state in which the employee works. The work state in this instance can be the home work state (entered on Screen 219) or any other state for which the employee should have income tax withheld (submitted on the ZT time entry transaction).

Value	Description
1 or **blank**	Tax is withheld for the state in which the employee worked. If the time entry transaction contains a state code, wages are accumulated in the employee's State and Local Taxing Authority (SALTA) for that state. If no such entry is made, the system accumulates the wages for the state specified in the ND transaction (Screen 219) as the work state.
2	The wages are taxed for the state in which the employee worked and also independently taxed for the state in which the employee resides.
3	Tax is withheld for the state in which the employee worked. If the wages are subject to a higher tax in the state in which the employee resides, the system withholds for the resident state the amount by which the resident-state tax exceeds the work-state tax.
4	Regardless of where the wages are earned, taxes are withheld only for the state in which the employee resides. This option completely overrides the work-state options provided in the All State Tax and Method codes.

Other Work State Reciprocity Indicators

The Other Work State Reciprocity Indicator fields consist of eight sets of data, each set containing a pair of entries, on the employee 201 segment. They indicate to the system that, for certain work states, the relationship to resident state is different from the normal relationship specified in the general Work State Reciprocity Indicator field on the 202 segment.

Each of the eight sets consists of two items.

Item	Description
Work State	This is the code of the state for which the taxing relationship with the resident state is different from the normal relationship. A list of the state codes acceptable to the system is found in the *Transactions Descriptions* guide.
Other Work State Reciprocity Indicator	This is the reciprocity indicator used in place of the one specified in the Work State Reciprocity Indicator field on Screen 214 as the normal one. The values are the same as those used on Screen 214.

It is not necessary to have an entry here for every state in which the employee might work and for which the employee needs to have tax withheld. An entry is needed only for those states that are considered for taxing in a way different from that specified in the general Work State Reciprocity Indicator field on Screen 214. In practice, these alternate work state reciprocity indicator fields are left blank for the majority of employees.

Work State/Resident State Processing

As the system processes each time entry transaction (ZT/ZV) for the employee, it determines if a work state is specified on any transaction. If a work state is specified, the system searches for an entry for that state in the table in the 201 segment of the Employee Master File that contains up to eight sets of data entered in the Other Work State Reciprocity Indicator fields. If a match is found, the corresponding reciprocity indicator is used to determine how this work state relates to the resident state. If no match is found, the default code in the Work State Reciprocity Indicator field in the 202 segment is used.

Example

This example shows the use of this unusual facility. Let's assume an employee resides in Tennessee (state code 43) and usually works in Texas (state code 44). This entry is made on Screen 214 as follows:

```
ACTION: ____  CURRENT: 214  NEXT: 214
L1: AL L2: WA EMPLOYEE NO:       1020

                  United States Employee Tax Maintenance

Name: WELLSBYSON,  FIRSTNAME MIDDLE0          Status:         *Lock-in Letter*
                                                              Marital Status: _
Soc Sec No:  0332387465                                       Exemptions:    __
                          *Taxes*
         Tax   Marital              Amount/    Amount of 1        *Indicators*
       Method  Status   Exemptions  Percent     Exemption   Code   FICA:     A
Federal   0        M           1           0                      FUI:      Y
State     0        M           1           0                      Empr SUI: A
County    2        M           0       .0001          .00   101    Empe SUI: Y
City      0        _           0       .0000          .00     0    Empe SDI: A
                                                                  Reciprocity: 1
Work State: 44               *Tax Authority Supplement*         Special Tax:  0
Res State:  43                 PA TAS3: ____
W-2 Establish Code: ____       PA TAS4: ______


*Other State Reciprocity Indicators
  St Ind   St Ind   St Ind   St Ind   St Ind   St Ind   St Ind   St Ind
  00  0    00  0    00  0    00  0    00  0    00  0    00  0    00  0
```

Screen 248 - U.S. Employee W-4 Information Maintenance

Use realtime Screen 248 to maintain the W-4 information to use in state tax calculations for an employee.

```
ACTION: ____  CURRENT: 248  NEXT: 248
L1: AL L2: WA EMPLOYEE NO:          4 Name: HOLDEN,  EDITH ANNE
                          State W-4 Information

Del    State    Method    Mar Stat   Exemptions    Amount/Pct    Spec Tax Ind
 _      11        1          M            4              100          00









Insert State:
        __        _          _          ___        __________         __
```

You can enter W-4 information for up to 17 different states for each employee. This information includes the following W-4 fields: Tax Method, Marital Status, Exemptions, Amount /Percent, and Special Tax Handling Indicator. These fields work in the same way on this screen as they do on Screen 214, except that on this screen they are specific to the state you specify.

W-4 Information Processing

The state W-4 information entered on Screen 248 updates the 205 segment of the Employee Master File. When a state calculation is required, the W-4 information from the 205 segment is used if the code of the specified state is found in the 205 segment.

The state W-4 information entered on Screen 214 updates the 203 segment of the Employee Master File. This information serves as default information. It is used for a required state calculation when the specified state is not found in the 205 segment.

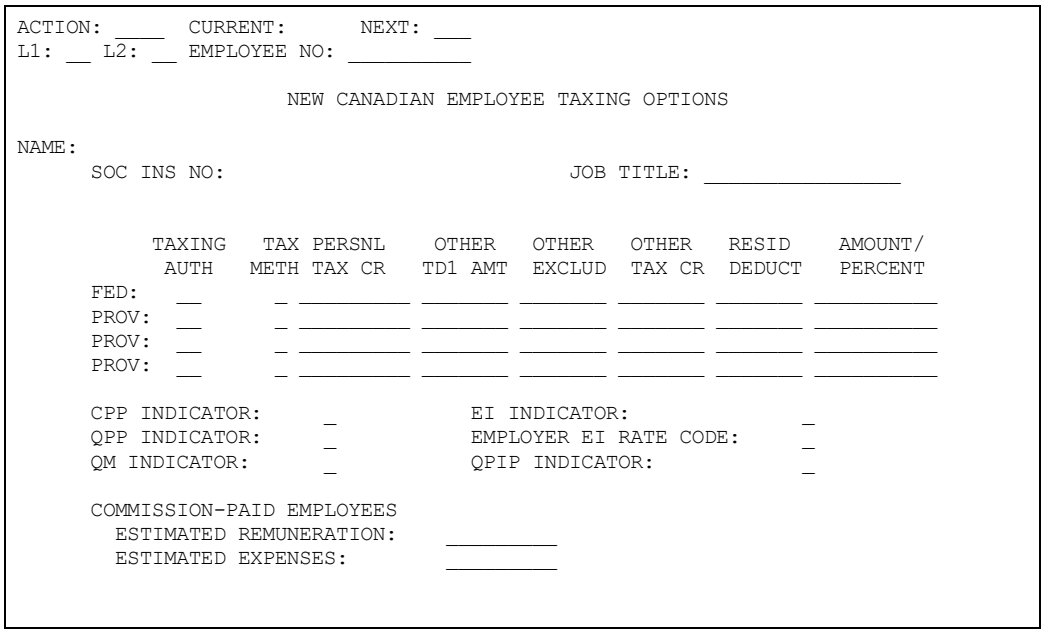
The state W-4 information in the 205 segment is retained until it is explicitly deleted, regardless of changes in year or the employee's work or resident state.

Screens 226 and 227 - Canadian Employee Tax Maintenance

For Canadian organizations, to maintain taxing options for employees, use realtime Screen 226, online Screen 124, or an RD-1 transaction in batch processing.

Note that taxing options for new hires are set up realtime on Screen 227. The system automatically chains to this screen from Screen 218. Online Screen 124 or batch transaction ND-1 can be used.

```
ACTION: ____  CURRENT:      NEXT: ___
L1: __ L2: __ EMPLOYEE NO: _____________

                    CANADIAN EMPLOYEE TAX MAINTENANCE

NAME:                                        DATE LAST MAINTENANCE:
      SOC INS NO:                            JOB TITLE: _________________


           TAXING   TAX PERSNL    OTHER   OTHER   OTHER   RESID    AMOUNT/
            AUTH   METH TAX CR   TD1 AMT  EXCLUD  TAX CR  DEDUCT   PERCENT
      FED:   __      _ _________ ________ ________ ________ ________ ___________
      PROV:  __      _ _________ ________ ________ ________ ________ ___________
      PROV:  __      _ _________ ________ ________ ________ ________ ___________
      PROV:  __      _ _________ ________ ________ ________ ________ ___________

      CPP INDICATOR:     _          EI INDICATOR:                _
      QPP INDICATOR:     _          EMPLOYER EI RATE CODE:       _
      QM INDICATOR:      _          QPIP INDICATOR:              _

      COMMISSION-PAID EMPLOYEES
        ESTIMATED REMUNERATION:   _________
        ESTIMATED EXPENSES:       _________
```



Fields

Federal Taxing Authority

This is a required field. For more information, see the *Tax Reference Guide*.

Federal Tax Method

This is a required field. The Federal Tax Method field defines the method of calculating federal taxes you want the system to use. For an explanation of the choices, see the *Transaction Descriptions* guide.

Canada Pension Plan Indicator

This field is required. If the Canada Pension Plan indicator is **zero** (do not calculate, but check eligibility), the system automatically determines an employee's eligibility and begins the calculation at age 18.

If the Canada Pension Plan indicator is **1** (calculate, but check eligibility), the system calculate the deduction and automatically stops it when the employee reaches age 70.

If the Canada Pension Plan indicator is **2**, the system does not determine eligibility, and it does not calculate the tax.

Employment Insurance Indicator

This field is optional. The Employment Insurance indicator specifies whether to take the Employment Insurance deduction.

Job Title

This field is optional. The job title is printed on the record of employment and the unemployment insurance register.

Employer EI Rate Code

This field is optional. The employer EI rate code is set up at the employee level. Valid codes are **0** through **9**. The EI rate code definition is determined by the user; however, **0** is reserved for the standard employer rate.

When setting up a new employee, the employer EI rate code can be left blank, and the system defaults to a value of **0**. The Validate Report indicates this with the warning message: NO EMPLR EI code. 0 assumed.

The employer EI rate code is used to select the employer EI rate from the HRMS Table file. Therefore, the rates must be established in the HRMS Tables File using Reference Information transactions. for more information about how to set up Reference Information transactions, see the *Tax Reference Guide*. The employer EI rate code is also used to select the corresponding reporting information from the HRMS Tables File.

Provincial Tax Fields

Provincial Taxing Authority

This field is a conditionally required field. Up to 3 provincial taxing authorities can be defined for an employee, but every employee must have at least one provincial taxing authority. For more information, see the *Tax Reference Guide*.

Provincial Tax Method

The provincial tax method is optional, and it defaults to zero if left blank when a new provincial taxing authority is added. The tax method specifies the method of calculating provincial tax to use. For an explanation of the choices, see the *Transaction Descriptions* guide.

Provincial Tax Calculation Amounts

The following fields are optional and contain the amounts claimed on the TD-1; each is entered with no decimals and is zero-filled:

- Provincial Personal Tax Credit
- Provincial Other Excludable Amount (applicable only to Province 88, Quebec)
- Provincial Other Tax Credit Amount
- Provincial Residential Deduction Amount (available for future use)

Provincial Amount/Percent

If the provincial tax method is 2, 3, 4, 5, 6, or 8, the Provincial Amount/Percent field is required. It is used the same way as the Federal Amount/Percent field.

Quebec Pension Plan Indicator

This field is required if the provincial taxing authority is Quebec. The Quebec Pension Plan indicator determines whether the Quebec Pension Plan deduction is taken. It is used the same way as the Canada Pension Plan indicator.

QPIP Indicator

This field is optional. The QPIP indicator specifies whether to take the QPIP deduction.

Employer QPIP Calculation

The Employer QPIP tax is calculated from Employee QPIP tax and an Employer QPIP rate factor for the following purposes:

- Self-adjusting each pay period and
- Reporting on the Employer Tax Summary and to PGLI.

Quebec Medicare Indicator

This field is optional. The Quebec Medicare indicator is used to indicate whether Quebec Medicare wages are accumulated. These wages are used to calculate the employer's Quebec Medicare contribution.

Screen 125 - Employee Tax Information - NI/RI Transaction

Use Screen 125 to enter State Quarterly Report Unit Code information and special state data for the employee. Four fields on this screen are associated with SALTA:

- SALTA Type
- SALTA Code
- State Quarterly Report Unit Code
- Four Tax Authority Supplement fields for special state data

Fields

SCC Type

The SCC Type field identifies a state by entering a value of **1**.

SCC Code

The SCC Code field represents the code used to identify a particular state.

State Quarterly Report Unit Code

Some states require the State Quarterly reports be separated by county (for example, North Carolina). If you do require a county code or some other code in this field, make the appropriate entry in the Unit Code field.

Tax Authority Supplement

Tax Authority Supplement fields TAS1, TAS2, TAS3, and TAS4 are used by regulatory reporting to group or categorize employees on state regulatory reports.

Ohio School District Income Tax (SDIT)

The Tax User Exit is designed to provide a way to calculate taxes for additional local authorities when an employee's county/city tax accumulators are already in use. HCM:E supports the Ohio School District Income tax (SDIT) through the Tax User Exit.

When to Use the Tax User Exit

If...	Then...
You **do not** have any employees who are subject to both a city tax and Ohio SDIT at the same time.	Use the usual city tax processing.
You **do** have employees who are subject to a city tax and Ohio SDIT at the same time.	Use the Tax User Exit.

Processing the Tax User Exit

The Tax User Exit process occurs after all of the usual tax processing is complete for each employee. You activate the Tax User Exit by establishing a DOE as a constant in the Tax Reference Information in the HRMS Tables File. It is executed for an employee when the same DOE is active at the employee level.

The DOE is used only to **trigger** the tax calculation and provide tax information to the Taxing subsystem. It is not used to accumulate the tax. A Type 3 (city) SALTA segment is automatically established to accumulate the Ohio SDIT tax and wages. The amount is then reported as a tax on the payroll reports and in the General Ledger Interface.

Implementing the Tax User Exit

To implement the Tax User Exit for the Ohio SDIT, see the Taxing Authority Requirements chapter of the *Tax Reference Guide* for step-by-step instructions.

When you have implemented the Tax User Exit, Payroll Compute will automatically calculate the Ohio SDIT.

Note: If you use Online Check Calculation to pay an employee, some additional steps must be taken.

Using Ohio SDIT Tax User Exit with Online Check Calculation

You must select the Ohio SDIT DOE for each employee. No DOEs are processed automatically in Online Check Calculation. To initialize an Ohio SDIT DOE for an employee during the OCC process, enter **0.00** for the Ohio SDIT DOE amount on Screen 502.

Setting Up Pennsylvania Local Earned Income Tax (EIT)

As a result of Pennsylvania Act 32, Pennsylvania local earned income tax (EIT) withholding is required by all Pennsylvania localities, except Philadelphia. Act 32 creates political subdivisions (PSDs), each with an assigned six-digit code. Each PSD has two rates for calculating the earned income tax: a resident rate and a non-resident rate.

Any employee who lives or works in Philadelphia is subject to Philadelphia EIT withholding. If the employee lives in Philadelphia, EIT is withheld at the Philadelphia resident rate. If the employee does not live in Philadelphia, EIT is withheld at the Philadelphia non-resident rate. For other Pennsylvania localities, an employer is required to withhold tax at the higher of the following rates:

- The resident rate of the employee's resident PSD
- The non-resident rate of the employee's work PSD

To begin setting up EIT taxing for employees, identify the PSD code for each of your Pennsylvania work and resident localities. You can get a list of PSD codes from the state's web site.

HRMS Table File and Employee Master File Setup

Make the following changes for your affected PA work localities and the employees who work in them:

- Add the six-digit PSD code for your work localities to the TE transaction. The four-digit SCC code assigned to the work locality is the key for the TE transaction.
- If you are going to remit and report wages and taxes for the PSD to
  - The tax collection district assigned to the PSD by the State of Pennsylvania, you can leave the Tax Collection District (TCD) code blank on the TE transaction.
  - Another tax collection district, enter that TCD code on the TE transaction.
- For employees living in Pennsylvania but working out of state, assign a least one four-digit SCC code and set up a TE transaction. The work locality is defined as **Out of State**. On the TE transaction for this work locality, enter **880000** in the PSD Code field. You are required to enter the two-digit TCD code for the tax collection district to which you will remit and report the out-of-state wages and taxes for the work locality.
- For all employees working in these work localities, add the four-digit work locality SCC code and the six-digit resident PSD code to the **Pennsylvania state SALTA** record in the Employee Master File. Use Screen 214 or the NI/RI transaction to add this information. The EIT tax method defaults to **1** if it is not entered.

Pennsylvania Local SALTA

All wage and tax amounts associated with the Pennsylvania local EIT tax are maintained in a Pennsylvania local SALTA record.

The type code for a PA local SALTA record is always 8.

The SCC code uses the following format: *XYYYY*, where *X* is the multiple occurrence value 0 through 9 and *YYYY* is the SCC code for the work locality. The multiple occurrence value begins with 0 and increases by 1 to create a new Pennsylvania local SALTA record each time the resident PSD code changes for the same work locality SCC code.

The resident PSD code is in the Tax Authority Supplement (TAS) 4 field on the SALTA record. Employees who work at multiple work localities during the year can have multiple PA local SALTA records with different work localities. Employees who move can have multiple PA local SALTA records with the same work locality but different resident PSD codes.

Resident Political Subdivision Codes

You can get a list of the resident and work PSD codes for your employees using the addresses on the Residency Certificates required by Pennsylvania. See this web site:

http://munstatspa.dced.state.pa.us/FindLocalTax.aspx

Tax Collection Districts

The wages and taxes withheld under Act 32 are remitted and reported to one of the tax collection districts (TCD) in the state. After you begin taxing for a work locality assigned a six-digit PSD code on the TE transaction, you cannot change the assigned tax collection district code during that year. Wages and taxes must be reported by TCD code, and this cannot be accomplished if you change the TCD code during the year. Reporting is based on the TCD currently assigned on the TE transaction or the first two-digits of the PSD code if a TCD is not found.

If you need to change the tax collection district for a work locality during the year, you must assign a new four-digit SCC code to the work locality and add a TE transaction for the new SCC code. Then you must change the employee's work locality to the new SCC code on the Pennsylvania state SALTA record using an NI/RI transaction.

Alternate Employee Address Code for the Work or Resident PSD

Some localities require employers to report the address of the residence associated with the resident PSD. Because an employee can reside in multiple resident PSDs during a reporting period, multiple addresses may be needed. To accommodate this need, the Supplemental Address area in the 492 through 499 segments of the Employee Master File can be used to retain the addresses for an employee's resident PSDs. The Tax Authority Supplement 2 (TAS2) field on each Pennsylvania local SALTA with a type of 8 is used to point to the appropriate supplemental address entry for the resident PSD. For a Pennsylvania local SALTA with a type of 8, the TAS2 field is called the Worksite/Resident PSD Alternate Employee Address Code field.

The SF and SG transactions are used to establish the address for each resident PSD in the Supplemental Address area. The NI/RI transaction is used to update the TAS2 field with the value you entered as the address identifier on the SF or SG transaction when the supplement address was defined.

At regulatory reporting time, HCM:E checks each Pennsylvania local SALTA with a type of 8 for a worksite/resident PSD alternate employee address code. If it is found, the supplemental address associated with that code is made available for reporting. If it is not found, the 201 segment address is used by default.

Setting Up Financial Services Data

Use the following screens to establish various financial services for your employee:

Function	Realtime Screen	Online U.S. Screen	Online Canadian Screen
Adding an Employee Task:			
Setting Up Financial Services	224	740 - 749	740 - 749
Bond Accounting	NA	43	39

Screen 224 and 740-749 - Employee ACH Bank/CU Services

Use realtime screen 224, online screens 740-749, or the RF transaction to establish employee ACH/CU banking information. If the employee is not going to do any direct banking through the system, these screens are not used.

Screen 224 (U.S. Version)

```
ACTION: ____  CURRENT: 224  NEXT: 224
 L1: AL L2: WA EMPLOYEE NO:       1010

                          EMPLOYEE ACH BANK/CU SERVICES
 NEXT ACH DOE CODE: __
 NAME: KENNYS,  DAVE                          DATE LAST MAINTENANCE: 1997/10/31
 EXISTING ACH DOES:

 ACH DOE CODE:            99
 ABA/INSTITUTION NUMBER: 011000028 -OR- BANK/CU CODE: _____
 ACCOUNT NUMBER:          12345678918
 PRENOTE INDICATOR:       1_
 CHILD SUPPORT
   CASE IDENTIFIER:       _____________________
   MEDICAL SUPPORT IND:   _  FIPS CODE (U.S. ONLY): _______

 ACH DOE CODE:            __
 ABA/INSTITUTION NUMBER: _________ -OR- BANK/CU CODE: _____
 ACCOUNT NUMBER:          _________________
 PRENOTE INDICATOR:       __
 CHILD SUPPORT
   CASE IDENTIFIER:       _____________________
   MEDICAL SUPPORT IND:   _  FIPS CODE (U.S. ONLY): _______
```

Fields

Account Number

When setting up the DOE to handle the banking service or ACH deduction, you must be sure to set up the account number.

ABA/Institution Number

This is the financial institution's ABA number. If this number is entered, the Bank/CU Code field is not needed.

Bank/CU Code

This field is user defined and required. The bank/CU code is used to retrieve the different branch or bank name (or both), address, and routing numbers from the HRMS Tables File.

The bank/CU information for the code must be established on the HRMS Tables File using realtime screens 304 through 306 or the batch transactions TA, TW, TX, and TY.

Prenote Indicator

This field identifies which type of prenoting to use for this employee's account, whether it occurs on a compute cycle or another processing cycle, and how many times to prenote. Zero to nine Prenotification cycles can be processed and should be completed before the ACH deduction's start date. The system will decrease the number until 0 is reached, at which time the deduction can begin depending on the deduction's start date.

Child Support Case Identifier This is the IV-D case/court order number.

Medical Support Indicator This identifies if the employee has enrolled in family medical insurance coverage through the employer.

FIPS Code This is the Federal Information Process Standard code associated with the Child Support authority.

Screens 43 and 39 - Bond Accounting

To establish bond accounts for the employee, use Screen 43 (U.S.) or 39 (Canada) or the RE transaction. Up to three separate bond accounts can be set up.

A bond account can be completely established without actual bond accounting being activated. Also, valid bond deductions can be taken for an employee without any bond accounting taking place. Complete and accurate bond accounting is performed only when both of the following conditions have been satisfied:

- A bond account is correctly set up, cross-referencing a specific type-E DOE defined at the level 1, level 2 control level
- The specific type-E DOE cross-referenced by the employee bond account is correctly set up and activated by establishing the bond DOE using Screen 217, Employee DOE Maintenance (RK), or Screen 53, DOE Entry.

Fields

Bond Account Identification Code

The Bond Account Identification Code field is used to associate data entered with the appropriate bond account. Bond processing cannot take place without a valid identification code (**1**, **2**, or **3**).

Bond Account Price Code

The Bond Account Price Code field is used to determine both the denomination and purchase price of the bonds purchased by the bond account. If the code entered is invalid or zero, no memo bond purchasing takes place.

Bond Account DOE Cross-Reference Code

The Bond Account DOE Cross-Reference Code field is used to identify the particular employee type-E DOE chosen to control bond deductions for the bond account. If the code is invalid or blank, the bond account is not tied to a DOE and no bond accounting takes place.

Bond Account Current Balance

The Bond Account Current Balance field is used to transfer any non-system bond account balance to the new system bond account.

B/C/A Code

This code is used to classify the identification data according to the relationship between the person being identified and the bond account. Separate areas are maintained within the bond account for beneficiary identification, co-owner identification, and alternate owner data.

When you update a bond account online, the alternate owner, co-owner, or beneficiary will be displayed next to the appropriate heading. You must enter the code to process updates to the information.

Owner/Co-Owner/ Data

Identification data required for beneficiary/co-owner/alternate owner includes the person's name and social security or social insurance number.

For valid options and values, see the *Transaction Descriptions* guide.

For example, to identify a new bond account with co-owner Albert Cohen, enter the information on Screen 43 or 39 as follows:

```
ACTION: ____  CURR: 43   NEXT: 740
    L1: AL  L2: WA  EMPNO:       2420  MRC: 0  EFF DATE: ________
CHK AD-1: _____________________________ NAME: COHEN,  MAREEN ALWA2420
    AD-2: _____________________________  _____ - ____      FORM INDICATOR: _
BOND ACCT: _  PRICE CD: _  DOE: __  ACTIVE:    PURCHASE:    PRICE:
BEG BAL : __________ _    CURR DED:               END BAL:
BENE    :                                SSN:            *PURCHASES* CUR:
CO-OWN  :                                SSN:                        MTD:
ALT-OWN :                                SSN:                        QTD:
B/C/A NM: Cohen,  Albert_________________  SSN:  112459966 B/C/A CD: C  YTD:

BOND ACCT: _  PRICE CD: _  DOE: __  ACTIVE:    PURCHASE:    PRICE:
BEG BAL : __________ _    CURR DED:               END BAL:
BENE    :                                SSN:            *PURCHASES* CUR:
CO-OWN  :                                SSN:                        MTD:
ALT-OWN :                                SSN:                        QTD:
B/C/A NM: _____________________________  SSN: __________ B/C/A CD: _  YTD:

BOND ACCT: _  PRICE CD: _  DOE: __  ACTIVE:    PURCHASE:    PRICE:
BEG BAL : __________ _    CURR DED:               END BAL:
BENE    :                                SSN:            *PURCHASES* CUR:
CO-OWN  :                                SSN:                        MTD:
ALT-OWN :                                SSN:                        QTD:
B/C/A NM: _____________________________  SSN: __________ B/C/A CD: _  YTD:
```

Maintaining Employee Information

Maintenance to Employee Master records can be handled several ways. Changes to static information for the employee are made using many of the same screens that build the employee record initially. As with changes to organization data, it is only necessary to provide the new information for those fields you want to change. Changes to hour and dollar accumulations are made through the adjustment transactions (YA-YE). For more information, see the External Pay Processing chapter.

Function	Realtime screen	Online U.S. Screen	Online Canadian Screen	Associated Transactions
Maintenance Tasks:				
Salary Review	211	89	89	PV-1
Employee Basic Salary Maintenance	220	41	38	RA, RG, PF-6
Employee DOE Maintenance	217	60	60	RK
Extended Distribution	218	40	37	NA, NH
	222	40	37	RH
Salary Splits	233	44	44	RH
Miscellaneous Info	221,222	40	37	SA
Tax Information	214	125	NA	ND1/RD1,ND2/ RD2
	226	NA	124	ND1/RD1, ND2,RD2, SB
Sick, Vacation, and Other Hours	NA	84	84	PH-3, PH-4
Salary Analysis	NA	91	91	PH-7, WU-1, WU-2, PH-8
EEO/AAP Maintenance	213	91		PF-1, PG-5, WU-1
Canadian EEA Maintenance	230	NA	92	PV-9
	231	NA	93	PG-9

(continued)

Function	Realtime screen	Online U.S. Screen	Online Canadian Screen	Associated Transactions
Maintenance of Miscellaneous Information:				
Emergency Notification Information	201	81	81	PV-5, PV-6
Employee Family Data	202	81	82	PF-1, PG-3 PV-4
Higher Education and Training	203	85	85	PF-2, PF-3, PF-4
Employee Career Planning	204	82	82	PF-5, PF-1, PF-7,WU-2,
		91	91	PG-5, PH-7, WU-1, WU-2, PH-8
Employee Skills	205	89	89	PV-3
Employee Physical Data	207	90	90	PG-4, PV-8
		81	93	PG-4
Employee Service Dates	208	81	81	PH-2, PF-7
		82	82	PF-7, PH-2
Establishing Employee Preferences	209	NA	NA	PF-1
Performance Reviews	210	89	89	PV-2
Employee's Organization Property	212	83	83	PG-1
Military and Driver's License Data	215	85	85	PV-7, WU-1
Employee Job Information	232	82	82	PF-6, PF-7
Employee Transfer History	NA	89	89	PH-1

Changing an Employee's Status

An employee's status is changed using realtime Screen 220 or online Screen 40 (U.S.) or 37 (Canada).

Terminating an Employee

Employees are terminated using realtime Screen 220 or online Screen 40 (U.S.) or 37 (Canada). Enter **T** in the first position of the Employee Status field.

The records are flagged as terminated but remain in the Employee Master File and can be reactivated at any time by one of the methods described in the section on Reactivating an Employee in this topic.

Records that are flagged as terminated can be automatically deleted at the beginning of the following year if the organization option for this process is in effect at that time. For more information about this option, see the Screen 11 topic.

Deceased Employees

Deceased employee's records should be flagged as terminated using the **P** code. The P code permits proper reporting when W-2s are issued.

Inactivating an Employee

An employee can be inactivated using realtime Screen 220 or online Screen 40 (U.S.) or 37 (Canada). Place **N** in the first position of the Employee Status field.

The Master records for the employee are flagged as inactive but remain on the Employee Master File and can be reactivated at any time by one of the methods described in the section on Reactivating an Employee in this topic.

Reactivating an Employee

To change the status of an employee who has been terminated or inactivated back to active, use one of the following methods:

- Use the Reset feature on online Screen 40 or 37.
- Space out the **T** or **N** in the Employee Status field on realtime Screen 220.

Deleting an Employee

To delete an employee's records from the Employee Master File, use online Screen 51.

Inactivating or Deleting Tax Information

U.S. organizations can inactivate or delete a state or local tax as discussed in the following sections.

Inactivating a State or Local Tax

If you want to inactivate a state or local tax (stop tax withholding), but you want the accumulations to remain on the Master file, use realtime Screen 214 or online Screen 125 (U.S.) or 124 (Canada).

Enter **1** in the State Tax Method field to inactivate the state tax.

Enter **R** or **0** in the County or City Tax Method field to inactivate a county or city tax.

Deleting a State or Local Tax

Use online Screen 751 to delete individual state, county, or city accumulations for a specific employee.

If you delete a SALTA for a state that has a special SALTA (such as New Jersey), the special SALTA will also be deleted.

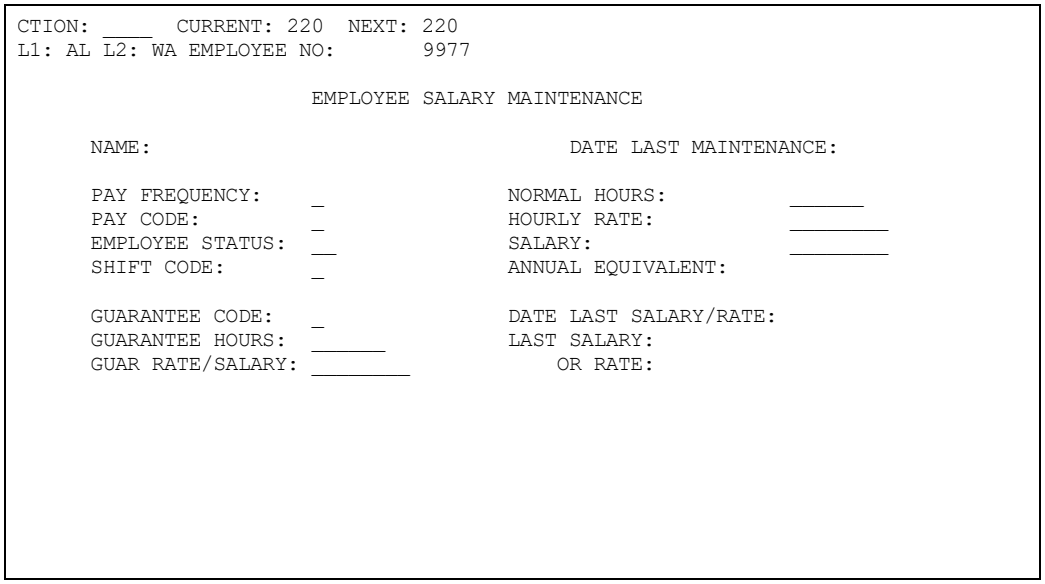
Maintaining Salary, DOEs, and Hours

Use the following screens to maintain an employee's salary and hours information:

Function	Realtime screen	Online U.S. Screen	Online Canadian Screen	Associated Transactions
Maintenance Tasks:				
Salary Review	211	89	89	PV-1
Employee Basic Salary Maintenance	220	41	38	RA, RG, PF-6
Employee DOE Maintenance	217	60	60	RK
Extended Distribution	218	40	37	NA, NH
	222	40	37	RA, RH, RB, RC, RG, RJ, SA
Salary Splits	233	44	44	RH
Miscellaneous Info	221/222	40	37	SA
Canadian Excludables	226		124	SB
Sick, Vacation, and Other Hours	NA	84	84	PH-3, PH-4
Salary Analysis	NA	91	91	PG-5, PH-7, WU-1, WU-2, PH-8

Screen 220 - Employee Salary Maintenance

Use realtime Screen 220, online screens 40 and 41 (U.S.) or 27 and 38 (Canada), or the RA transaction to maintain employee salary information.



Fields

Normal Shift Code

The Normal Shift Code field on Screen 218 and 220 is used with the shift premium parameters from the organization control record to calculate the shift premium pay. See Screen 10 (U.S.) or 8 (Canada) for shift pay data.

The normal shift code determines the employee's normal shift and indicates whether shift pay is calculated on regular, overtime, or both. If a time entry transaction is entered for the employee, an override of the normal pay shift can be entered. For pay data, see the ZT transaction or Screen 47 (U.S.) or 32 (Canada).

Normal Hours

These hours are used to compute regular earnings for automatically paid hourly employees.

Hourly Rate

This rate is used to compute regular earnings for automatically paid hourly employees.

Salary

This is used as regular earnings for automatically paid salaried employees.

Guaranteed Wage Fields

The three fields for guaranteed wages (Code, Hours, and Rate/Salary) are not used by the system because of the many different methods of calculating guaranteed wages.

Screen 218 - Extended Distribution

Use realtime Screen 218, online Screen 40 (U.S.) or 37 (Canada), or the RH transaction to establish labor distribution information.

Fields

Extended Distribution Code

The Extended Distribution Code field is a user-determined code. It is used with levels 3 through 5 to make up the 22 positions of normal distribution controls in the Labor Distribution subsystem.

Screen 233 - Salary Splits

Use realtime Screen 233, online Screen 44, or the RH transaction to maintain salary split information.

```
ACTION: ____  CURRENT: 233  NEXT: 233
 L1: AL L2: WA EMPLOYEE NO:       1020

                        EMPLOYEE SALARY SPLITS MAINTENANCE


       NAME: WELL,  NAMEMOREHTAN22CALWA1020


  SPLIT                  LEVEL     LEVEL     LEVEL      DISTRIBUTION
  NUMBER     PERCENT       3         4         5           CODE

    1         .1500      R033      S115       ____       LD0216-L27
    2         .3000      R034      S220       ____       LD0217-L27
    3         .0000       ____      ____      ____       __________
    4         .0000       ____      ____      ____       __________
    5         .0000       ____      ____      ____       __________
    6         .0000       ____      ____      ____       __________
    7         .0000       ____      ____      ____       __________
    8         .0000       ____      ____      ____       __________
    9         .0000       ____      ____      ____       __________
   10         .0000       ____      ____      ____       __________
```

Salary Split Fields

The Salary Split fields are used to divide an automatic employee's wages into a maximum of 11 separate distribution controls, normal distribution controls, and 10 additional distribution controls. When these fields are entered, distribution is made to them before it is made to the home distribution.

Batch Considerations

If you are using batch processing, only two salary splits can be specified on a single NH transaction. Therefore, a multiple transaction capability is required to allow split specifications entered for all ten possible salary splits. For more information, see the *Transaction Descriptions* guide.

Salary Split Information

Each salary split consists of these fields:

- Percentage of Wages, where **.3333** is 33.33 percent and **.9999** is 100.00 percent
- Level 3
- Level 4
- Level 5
- Distribution Code (Level 6)

Screens 226 and 227 - SB Transaction

The SB transaction corresponds to realtime screens 226 and 227 and online Screen 124 (Canada).

The SB transaction has several Canadian employee tax options.

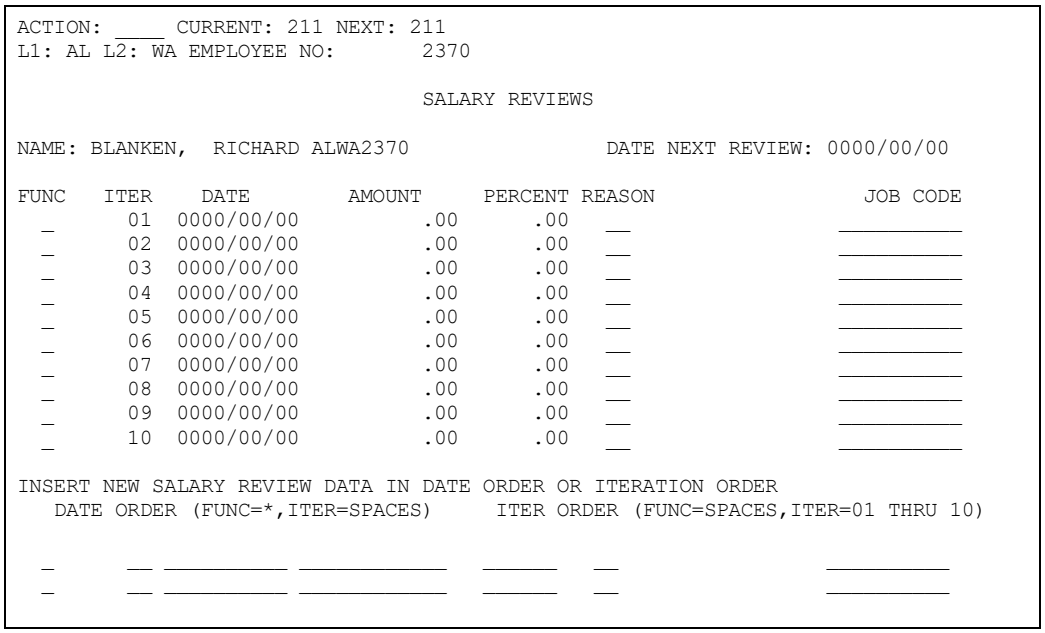
```
ACTION: ____ CURRENT: 226 NEXT: 226
L1: CN L2: DA EMPLOYEE NO:       1020

                    CANADIAN EMPLOYEE TAX MAINTENANCE

NAME: DOBBINS,  MARY C.                      DATE LAST MAINTENANCE: 2000/11/02

SOC INS NO:  958745812                       JOB TITLE: _________________

  TAXING TAX  PERSNL    OTHER      OTHER      OTHER      RESID      AMOUNT/
    AUTH METH TAX CR    TD1 AMT    EXCLUD     TAX CR     DEDUCT     PERCENT

FED:  88 4        6456         0          0          0          0        .00
PROV: 88 4        5900                    0                                .00

      CPP INDICATOR:     0           EI INDICATOR:              1
      QPP INDICATOR:     1           EMPLOYER EI RATE CODE:     0
      QM INDICATOR:      _           QPIP INDICATOR:            0

      COMMISSION-PAID EMPLOYEES
        ESTIMATED REMUNERATION:            0
        ESTIMATED EXPENSES:                0
```

Canadian Organizations

For commission-paid employees in a Canadian organization, the total estimated annual remunerations amount and total annual estimated exemptions and expenses amounts are entered on Screen 226 and 227. Both of these amounts are found on the Canadian form TD1X.

Screen 211 - Salary Review

Use realtime Screen 211, online Screen 89, or the PV-1 transaction to enter salary change data for the employee. Up to 10 iterations of salary change data can be entered for each employee.



```
ACTION: ____ CURRENT: 211 NEXT: 211
L1: AL L2: WA EMPLOYEE NO:       2370

                                SALARY REVIEWS

NAME: BLANKEN,  RICHARD ALWA2370               DATE NEXT REVIEW: 0000/00/00

FUNC   ITER    DATE        AMOUNT     PERCENT REASON                JOB CODE
  _      01  0000/00/00          .00       .00   __                 __________
  _      02  0000/00/00          .00       .00   __                 __________
  _      03  0000/00/00          .00       .00   __                 __________
  _      04  0000/00/00          .00       .00   __                 __________
  _      05  0000/00/00          .00       .00   __                 __________
  _      06  0000/00/00          .00       .00   __                 __________
  _      07  0000/00/00          .00       .00   __                 __________
  _      08  0000/00/00          .00       .00   __                 __________
  _      09  0000/00/00          .00       .00   __                 __________
  _      10  0000/00/00          .00       .00   __                 __________

INSERT NEW SALARY REVIEW DATA IN DATE ORDER OR ITERATION ORDER
   DATE ORDER (FUNC=*,ITER=SPACES)     ITER ORDER (FUNC=SPACES,ITER=01 THRU 10)

  _      __ __________ _____________   ______   __                __________
  _      __ __________ _____________   ______   __                __________
```

Fields

All data items are user defined.

Salary Change Reason

Codes and translations for the Salary Change Reason field must be established on the HRMS Tables File.

Date of Next Salary Review

Enter the date of the employee's next salary review in this field.

Iteration Number

When a code of ** is placed in the Iteration Number field, the iterations are maintained by the salary change date.

Update Code

When the update code is

- **Blank**, iterations are added in order by date.
- **R**, the iteration in the file that has a matching salary change date is replaced.
- **D**, the iteration in the file that has a matching salary change date is deleted.

Screen 91 - Job Analysis Information

Use online Screen 91 or the PH-8 transaction to enter an employee's salary information for analysis.

```
ACTION:       CURR: 91   NEXT: 92
    L1: AL  L2: WA  Empno:            MRC:    Eff Date: ________

                      Job Analysis Information

       Job Rating Factors
           1: _______               Minimum Salary:  _____________
           2: _______               Midpoint Salary: _____________
           3: _______               Maximum Salary:  _____________
           4: _______               Compa-Ratio: _______
           5: _______               Prev Annual Salary: _____________
                                    EEA Salary:

Job Group: ____   Occupational Level      Sector: __          *Veterans Status*
                   Low Range:  __________   Location: _____       VETS-100: _
                   High Range: __________   Organization: ____    VETS-4212: _


     Line Of Progression   Seq                   EEO Fields
           1: ____         ___      Trainee:   _          Contract Code      _
           2: ____         ___      Employee              Tenure Code        _
           3: ____         ___      Unit Code: _______    Faculty Rank       __
           4: ____         ___                            Soft-Money Code    _
           5: ____         ___                            Foreign Natl Code  _
```

The data on the preceding screen shows adding the minimum and maximum salary to the file. The midpoint salary and the compa-ratio are then calculated.

Salary Data Fields

Salary data fields are used to store an employee's minimum, midpoint, and maximum salary for a salary range.

Midpoint Salary

The midpoint salary is calculated internally if it is not entered, but the minimum and maximum salary are entered.

The midpoint salary will be set to zeros in the Employee Master File if the minimum salary exceeds the maximum salary. When the midpoint is **zero**, the compa-ratio is not calculated.

Compa-Ratio

If the compa-ratio is not entered, it is calculated internally.

When the compa-ratio is not entered, the annual salary and midpoint salary are available.

Previous Year's Annual Salary

You can store the employee's previous year's annual salary by entering the amount. During a YTD Clear, the system will also move YTD Regular Gross, O/T and Other Earnings amounts to the previous year's annual salary.

Screens 217 and 225 - Employee DOE Maintenance

Use realtime Screen 225, online Screen 053, or the RK transaction to establish DOE information for an employee. Use realtime Screen 217, online Screen 060, or the RK transaction to maintain a DOE. Each employee can have up to 90 DOEs.

For a description of special use DOEs, see individual topics about Tip Credit DOE, Earned Income Credit DOE, and California Voluntary Disability Plan DOE.

HCM:E also has the option to establish DOEs with steps. See Screen 60 - Establish DOE Using Step Technique topic in this chapter.

```
ACTION: ____ CURRENT: 217 NEXT: ___
L1: AL L2: WA EMPLOYEE NO:       2370

                          EMPLOYEE DOE MAINTENANCE

NAME: BLANKEN,  RICHARD ALWA2370            DATE LAST MAINTENANCE: 1994/04/30

             DOE CODE:     GA                DOE NAME:     EXCL DED G1   -DEDUC

             METHOD CODE:  4                 PERIOD CODE:  A
             TYPE CODE:    P
             AMOUNT                          LIMIT AMOUNT: _____________
                OR PERCENT:        .0400     TABLE NO.:    ___
(CCYYMMDD)   START DATE:   ________          STOP DATE:    ________ (CCYYMMDD)
NO SLASHES   SORT FIELD:   _____                                    NO SLASHES
                                            CURRENT:
             CUR NOT TAKEN:                 MONTH:        111.60
             DED NOT TAKEN:                 QUARTER:      111.60
                                            YEAR:         198.40
            *TAXING OPTIONS*
                FEDERAL:        1           FICA:         1
                STATE:          1           FUI:          1
                COUNTY:         1           SUI/SDI:      1
                CITY:           1
```

Note: Both Screen 217 and 225 are accessed from Screen 216.

Fields

Each DOE entry consists of the following fields.

Deduction/Other Earnings Code

This alphanumeric code identifies the DOE for which data is being entered.

One-Time Override Code

This field is available when using online Screen 60.

Method Code

The Methods Code field identifies the method to use to calculate the DOE.

Period Code

The Period Code field identifies the applicable pay period for each DOE.

When any maintenance is done to a DOE, the HRMS Tables File is referenced to determine if that DOE an ACH DOE. If it is, the employee's ACH information on the 410-419 segment is checked. If the DOE is **not** found, or if it is found but does not have an account number, the DOE is automatically deactivated (the period code is set to zero).

Type Code

The Type Code field identifies the DOE as a deduction or as an earning. For deductions, it also identifies the application of the arrears option. For earnings, it also identifies which taxes the earning is subject to.

Amount/Percent/Per Hour

Depending on the methods code, this field can contain:

- A fixed amount: **10000.00** is $10,000.00
- A percentage: **1.0000** is 100%
- An amount per hour: **1.0000** is $1.00

Instead of entering an actual value, a pointer to a tabled DOE amount at the organization level (level 2) can be entered. This pointer is entered with * in the first position and three numeric digits in the next three positions of the field. The values are entered at the organization level on Screen 373, Tabled Amounts.

Limit/Start/Stop/ Taxing/Sort Field

This field has multiple purposes.

Limit Amount

A limit amount is decreased by the current amount of the DOE each time the DOE is processed. When the limit amount reaches zero, the Period Code is set to zero. The limit is not decreased by any part of a deduction that goes into arrears. The limit is reached when the arrears are finally collected.

Start Date

A start date for a DOE activates the DOE when the period end date on the AA transaction or on Screen 14 is on or after the start date, or the run date is used if the period end date is zeros. When a start date is found for a banking service ACH deduction and this activation period is reached, the system can create an entry for the deduction on the ACH tape.

Stop Date

If a stop date is used, the DOE is inactive when the stop date is before or on the period end date from the AA date from Screen 13 or 14. The run date is used if the period end date is zeros.

Sort Key

This field is used as a sort key for optional sequencing of the Individual DOE List report (PRR412).

This field is also used as a sort key for Ohio School District Income Tax processing. See the Tax User Exit topic in this chapter.

Screen 60 - Establish DOE Using Step Technique

A further option is available that increases the flexibility of the way in which HCM:E calculates deductions and other earnings. HCM:E has the ability to establish DOEs with steps, each step being used in the same way as a normal DOE while the step is active. To use this step technique, you must first establish certain basic data at the organization level on Screen 332.

The step detail itself can be set up at the organization level. This means that any steps set up using employee screens are purely optional and override the organization steps for a specific employee only.

```
ACTION:       CURR: 60   NEXT: 61
    L1: AL  L2: WA  EMPNO:       2370  MRC: 0  EFF DATE: ________ CNTRY CODE: U
      ---- MAINT ----   ---------------------- DOE INQUIRY ----------------------
     DOE: AA              GA              HC              XD
  METHOD:  1              4               4               3
  PERIOD:  a              A               A               2
    TYPE:  n              P               P               0
OVRRIDE:  1 STEP MAX: 1000.00_____
AMT/PCT:  150________   400           200           2500
LMT IND:  _       TBL #:
   LIMIT: _____________
TAX CDS:  _______       1111111       1111111       1111111
DATE CD:  _
   DATE:  ________ STRT
                   STOP
SORT CD:  _____
CURR-NT:
ARREARS:
   CURR:
    MTD:                111.60        49.60
    QTD:                111.60        49.60
    YTD:                198.40        93.00
------------------------------------------------------------------------
DELETE DOE:  __   __   __   __   __
```

Use Screen 60 to define the step number in the Override Code field. Up to five steps are available so the valid entries are **1** through **5**. Only three other fields need be defined to establish a step. The first two, the Methods Code and the Amount/Percentage/Per Hour fields, are used to define the limitation of the step and are called the step maximum. The preceding example establishes an employee level override for Step 1 of Step DOE AA established at the organization level. For details on step DOEs, see the discussion of Screen 332 in this guide.

DOE One-Time Overrides

Use online Screen 60 to enter a flat amount for one-time processing of an employee's DOEs. One-time overrides can only be entered through batch processing.

The one-time override code determines if the amount being entered is positive or negative. An asterisk (*****) in this field specifies a positive override. A number sign (**#**) specifies a negative override.

When a negative override is entered, the system converts the amount entered through the RK transaction to negative and changes the override code to an asterisk (*****). The conversion is done when validating the RK transaction. The negative override applies to deductions only. Any negative override entered for an earnings DOE is rejected.

When a one-time override is entered, the only amount applied to that DOE is the override amount. If the amount entered is **zero**, that DOE is inactive for the pay period only.

If the one-time override is entered for an employee who is not being paid, the system does not use the one-time override. This is because Payroll Compute does not process an employee unless the employee is receiving pay. The one-time override must be entered in the cycle for which Compute will be executed.

Inactivating or Deleting a Deduction or Other Earning

A DOE can be inactivated at either the organization level (for all employees within that organization) or at the employee level (for specific employees).

Changing Priority Level at Organization Level

At the organization level, the priority can be permanently changed on the HRMS Tables File or temporarily overridden for the current run.

Permanent Change

To change a DOE priority permanently to inactivate, use realtime Screen 330, which updates the HRMS Tables File. Set the priority to zeros.

Temporary Change

To override the priority temporarily, you can either

- Use the CD-1 and CE-1 transactions in batch and enter them through the Load program
- Enter the data online using online Screen 17 and process through the Validate program.

Then use the data in Payroll Compute to override the priority for that run.

Inactivating DOE at Employee Level

For specific employees, a DOE is made inactive by using realtime Screen 220 and entering the DOE Code to be inactivated and a **zero** in the Period Code field. This can also be done on Screen 60.

Deleting a DOE at Employee Level

Use the DK batch transaction or online Screen 60 to delete a DOE from a specific employee's record.

Tip Credit DOE

As of 1978, the federal government requires employers to pay FICA and FUI taxes on the tips their employees receive when the tips are used as a credit toward meeting minimum wage laws. Certain states also require that SUI tax be paid on this credit.

Organizational-Level DOE Type

To meet this requirement, a DOE type of **1** and an appropriate DOE description are entered on the organization input transactions. See the Putting an Organization on the System chapter in this guide.

The DOE type of **1** specifies that this DOE is used to calculate a tip credit. This means that any amount calculated for this DOE is added to the DOE and to taxable wages only. The amount computed is not accumulated into other earnings and does not appear on the employee's check. For control purposes, the amount computed is added to the month-, quarter-, and year-to-date accumulators in the DOE.

The amount computed, along with the to-date figures, is available on the DOE register or DOE report or both.

Employee-Level DOE Type

As with any DOE, the tip credit DOE must be found at the employee level. When a DOE to use as a tip credit is set up, any of the standard DOE features can be used. However, special consideration must be paid to the employee-level DOE type code. This field is used to specify which taxing options apply.

All codes open to an earnings DOE are available. However, because it is a tip credit, the system automatically overrides codes 1 through 8 to prevent adding to federal, state, and local withholding wages; employee FICA/Medicare wages; employee disability/state unemployment insurance wages; and employer state unemployment insurance wages.

No restrictions are applied to the DOE type codes of 0 and 9; therefore, these type codes should be used when the tip credit is subject to a specific taxing authority.

Entering the Tip Credit with Time Entry Transaction

The ZT time entry transactions (Screen 47) can also be used to enter the tip credit. The system recognizes a time entry transaction as a tip credit transaction when it finds a tip credit DOE in the Other Earnings DOE Code field (positions 52-53). When a tip credit time entry transaction is found, the system automatically restricts the transaction functions to the calculation of regular and overtime amounts. These amounts are added to the DOE specified in positions 52-53 and to the taxable wages as requested by the DOE taxing options.

All other functions usually associated with a time entry transaction are negated for this tip credit time entry transaction. These include the following functions:

- Any hours specified do not accumulate in any regular, overtime, or special hours accumulators.
- No Labor Distribution or General Ledger Interface prorations or direct charges of the amounts computed are allowed. The employer's expenses associated with the taxable wages are distributed based on the usual earnings prorations.

  Warning: If a tip credit time entry transaction is submitted for an employee who is not being paid, any employer expenses associated with the taxable wages are not prorated to the Labor Distribution and General Ledger Interface system.

- The shift calculation feature is not allowed.
- Any data in the following time entry transaction fields not used by the tip credit routines is ignored:
  - Hours Code
  - Weeks Worked
  - Level 3
  - Level 4
  - Level 5
  - Month Code
  - Distribution Code
  - Shift Code
  - Shift Differential Earnings Code

Summary

A tip credit DOE is used to compute an amount to add to taxable wages. If the amount computed is entered through a time entry transaction, it is the user's responsibility to ensure that the employee is being paid.

Earned Income Credit DOE

The Earned Income Credit payment is processed through a special use DOE identified at level 2 as a type code of 2. The actual payment amount is automatically computed and accumulated in the employee record as a DOE. It is included in other pay on the Payroll Register, reported separately on the Employer Tax Distribution Summary, and reported separately on the W-2. The EIC payment amount is not included in wages, tips, and other compensation on the W-2.

Special Handling Considerations

- The EIC amount is calculated at the time federal withholding taxes are calculated: after all other earnings and excludable deductions have been processed.
- The EIC payment is not available for the withholding of taxes or other deductions. It is added directly to net pay and is available for bank services processing.
- The EIC payment is not presently subject to any federal, state, or local taxes. Therefore, certain restrictions have been placed on the DOE taxing capabilities: type codes 1 through 8 are totally nontaxable.

  DOE taxing options on Screen 330 and the employee-level taxing options override are restricted from the calculation of federal, FICA, and FUI taxes and taxable wages. State and local taxes can be applied through these taxing options if it is necessary.
- No Labor Distribution detail is generated for the EIC payment because this is not a payroll expense. The optional General Ledger Interface module generates the appropriate entries.
- The EIC amount is calculated on all earnings payments to the employee, including supplemental or bonus payments. Establish the EIC DOE with a period code of **A**. A period code of **0** permanently inactivates the DOE. The EIC amount cannot be entered on a time entry transaction (ZT or ZV). The one-time override (positive only) on Screen 60 overrides the automatic calculation on a temporary basis.

- If the total EIC payments for a pay cycle exceed the employer's tax liability to the federal government for that cycle, the employer can elect to reduce the EIC payments by a proportionate amount. The payment factor is calculated by dividing total federal taxes (this can include employee and employer FICA taxes) by the total EIC payments calculated. The resulting percentage is entered as a tabled amount at the level 2.

  The payroll cycle is processed again, and the employee is paid the proportionate amount of the EIC calculation. The percentage calculation applies to one-time overrides as well. The other alternative available to the employer is to pay the entire EIC amount calculated and claim it as a credit against future taxes owed. It is important to remember that the proportionate share payment is based on the current pay cycle.

  A report is produced by level 2 after the current payroll is at that point and is used to determine which course of action to take. A percentage entry must be made each pay cycle if applicable. If an entry is made on the previous cycle, it must be removed before processing the next payroll cycle.

- As previously mentioned, the EIC payment is calculated every time the employee is being paid. The type of time entry transaction being used to pay the employee has no bearing on the calculation. In other words, the use of R3, V3, R5, V5, R8, or V8 transactions does not prevent the calculation from taking place. EIC is not calculated on payments made through the use of R9 or V9 transactions because these are not considered payroll compensation items.

- **Caution Step DOE Users.** The EIC payments are included in total wages for each step base determination unless specified otherwise. The current EIC amount is not included in the actual calculation.

Summary

These steps must be taken to activate the Earned Income Credit calculation:

Step	Action
1	Establish the EIC DOE with a type code of 2 on Screen 330.
2	Establish the appropriate taxing options on Screen 330 if you intend to use them.
3	Reserve an entry in the table of amounts (established on Screen 373, Tabled Amounts) for the EIC adjusted payment percentage. This is zeros initially and must be reset to zeros after each use.
4	Establish the DOE for the applicable employees. ▪ Select the appropriate method code based on the W-5 filed by the employee. ▪ Enter the period code, keeping in mind that it is processed on all payments unless the period code is **zero**. A **zero** should be entered in the Period Code field when the employee rescinds the W-5. ▪ Enter the appropriate tax type code. Remember, if you are using **0** or **9**, ensure that state and local taxes are not calculated. ▪ The Amount/Percent/Hour field should contain a pointer to the entry in the table of amounts you reserved for the EIC adjusted payment percentage.
5	If it becomes necessary to override the automatic calculation on a one-time temporary basis, the positive override (***** in OR Code) is available on Screen 60. If an adjusted payment percentage is entered on the same cycle, the adjustment is made to the override amount.

California Voluntary Disability Plan DOE

When an employee elects to use the Voluntary Disability Plan instead of the State Disability Plan, you must establish a DOE to set up the deduction. Only the following information is needed on the DOE:

- DOE code
- Method code of **4**
- Amount/Percent (disability rate)
- Period code. Two period codes are valid: **0** or **A**.

The Employee SDI Indicator on realtime Screen 219 or 224 or online Screen 125 must be set to **B** (calculate tax for work states) or **C** (calculate tax for resident state).

Note: Before attempting to set up an employee with the California Voluntary Disability Plan, be sure this DOE (Type Code **L**) has been set up at the organization level.

Changing Election

Because of the voluntary nature of this DOE, an employee can change between the State Disability Plan and the Voluntary Disability Plan any number of times during the year. When the voluntary plan is active a period code of **A** is used. When the state plan is active, the DOE for the voluntary plan is bypassed using a period code of **0**. No other period code is valid for this DOE.

Limits for Plan

The limit for the disability plan is applied to the total amount deducted by both SDI and the Voluntary Disability Plan. After the sum of these reaches the yearly limit defined in the Tax Reference file, neither SDI nor the Voluntary Disability Plan continues to be deducted.

Screen 84 - Sick, Vacation, and Other Hours

Use online screen 84 to adjust manually the sick and vacation hours (614 segment) taken by employees.

Screen 84 is also used to enter other paid and other unpaid hours taken by the employee.

Fields

Action

To replace a data item in the file, leave the Action field **blank**.

To add the amounts entered to the amounts on the Employee Master File, enter **A** in the Action field.

To subtract the amounts entered from the amounts on the Employee Master File, enter **M** in the Action field.

Maintaining EEO, AAP, EEA Data

Use the following screens to maintain information used in Equal Employment Opportunity (EEO/AAP) and Employment Equity Act (EEA) reporting:

Function	Realtime screen	Online U.S. Screen	Online Canadian Screen
EEO/AAP Maintenance	213	91	
Canadian EEA Maintenance	230	NA	92
	231	NA	93

Screen 213 - Employee EEO/AAP/VETS Maintenance

Use realtime Screen 213 or online Screen 91 to enter employee job information for EEO reporting. Additional information is needed for EEO reporting. See the discussions about EEO reports in the Reporting Chapter of this guide.

Required Fields for EEO-1 Reporting

For EEO-1 reporting, the following fields are required:

- Employee Unit Code
- Occupational Category
- Occupational Classification

Also, if an employee meets the EEOC definition of a bona-fide trainee, enter **Y** in the Trainee field.

Workforce Utilization Data Fields

To store workforce utilization data, enter the following fields:

- Job Group
- Occupational Low Range
- Occupational High Range
- Sector
- Location
- Organization

Fields

All data items are user defined.

Employee Unit Code

The Employee Unit Code field is entered on Screen 213 after the reporting unit is established on the HRMS Tables File using T-65 transactions. The employee unit code identifies on which EEO report the employee is counted. The values for the employee unit code must correspond to the values entered for the reporting unit code.

Screen 230 - Employee User/EEA Dates

Use realtime Screen 230, online Screen 92, or the PV-9 transaction to update up to 30 iterations of the User/EEA dates for an employee.

Unlike other iterative data in the Employee Master File, iterations of User/EEA dates are not automatically deleted when the 31st occurrence is entered. When all 30 occurrences are filled and you try to add another, the entry will be rejected with the message, **User/EEA Date iterations full**.

At this point you must determine which iteration or iterations can be manually deleted before entering another. This manual process keeps the oldest dates, which will be generally be hire dates, from automatically being deleted. The associated transaction is the PV-9.

Fields

User EEA Dates

A User/EEA Date 1 is required. The User EEA Date 1 and User EEA Date 2 fields are predefined when used for Canadian Employment Equity Act (EEA) reporting, but they are otherwise user defined.

For Canadian organizations, the following specific combinations of dates and indicators are identified for uses in EEA reporting:

Date 1 Indicator

Code	Description
P	Indicates that the User/EEA Date 1 is a promotion date. Do not enter a User/EEA Date 2 or Date 2 Indicator.
H	Indicates that the User/EEA Date 1 is a hire date. You can leave User/EEA Date 2 and Date 2 Indicator **blank**. If User/EEA 2 date is entered, the Date 2 Indicator must be **A** or **N**.

Date 2 Indicator

Code	Description
A	Indicates User/EEA Date 2 is an abnormal termination date. The employee was terminated unexpectedly or completed his work before the end of his contract.
N	Indicates a normal termination. An employee was terminated normally or ended his job assignment on the expected date.

For example, an employee who has retired would have a User/EEA Date 1, a Date 1 Indicator of **H**, and a Date 2 Indicator of **N**.

Valid Combinations

User/EEA Date 1	Date 1 Indicator	User/EEA Date 2	Date 2 Indicator
Present	**P**	blank	blank
Present	**H**	blank	blank
Present	**H**	Present	**A** or **N**

Iteration Number

When a code of ****** is placed in the Iteration Number field, the User/EEA Date 1 field is used to determine the occurrence to replace or delete, or the position in which to insert it.

When an iteration number is specified, it refers to a specific occurrence of dates that is being added, deleted, or replaced in the segment.

Update Code

When the update code is **blank**, the User/EEA Date 1 on the transaction will be used to insert the iteration in the correct occurrence in the segment in date order.

When the update code is **R**, the first occurrence of dates with a User/EEA date equal to the one on the transaction is replaced. When replacing data in an occurrence in the employee's record, the **entire** occurrence must be re-entered. Fields on the occurrence cannot be reset individually.

When the update code is **D**, the first occurrence of dates with a User/EEA date equal to the one on the transaction is deleted.

Screen 231 - Canadian Employee EEA Data

Use realtime Screen 231, online Screen 93, or the PG-9 transaction to enter employee information for Employment Equity Act (EEA) reporting.

Validated Fields

These fields entered on the screen are validated using values in the T69 records of the HRMS Tables File:

- Reporting Unit
- Industrial Sector
- Occupational Group

For more information about the T69-001 through T69-009 transactions, see the discussions of the Canadian Employment Equity Act reports in the *Reports Guide*. You cannot update an employee's record with these fields unless the values are found in the HRMS Tables File.

Fields

EEA Reporting Unit

The EEA Reporting Unit field identifies how employees will be grouped for EEA reporting. An employee without an EEA reporting unit will not be included in the EEA reports. This field is the high-level sort sequence for all Employment Equity Act reports. The reports cross level 1-level 2 boundaries.

Census Metropolitan Area (CMA)

The Census Metropolitan Area (CMA) field must contain one of these codes:

Code	Description
CAL	Calgary, Alberta
EDM	Edmonton, Alberta
HAL	Halifax, Nova Scotia
MON	Montreal, Quebec
REG	Regina, Saskatchewan
TOR	Toronto, Ontario
VAN	Vancouver, B.C.
WIN	Winnipeg, Manitoba

Work Province

The Work Province field can contain one of these codes:

Code	Description
80	Alberta
81	British Columbia
82	Manitoba
83	New Brunswick
84	Newfoundland and Labrador
85	Nova Scotia
86	Ontario
87	Prince Edward Island
88	Quebec
89	Saskatchewan
90	Northwest Territories
91	Yukon Territories
92	Outside Canada

If the Work Province field is not entered, the federal taxing authority on the 203 segment will be used. Employees in Province 92, outside Canada, are not included in EEA reports. For more information, see the *Transactions Descriptions* guide.

Visible Minority, Aboriginal Peoples, Disabled Persons

The Visible Minority, Aboriginal Peoples, and Disabled Persons fields are user-defined fields. Any value entered on these fields will cause the employee to be counted in these categories on the Employment Equity Act reports.

EEA Salary

An EEA salary is added to the employee's record by entering an amount in the EEA Salary field with **N** in the Indicator field to indicate that the salary is a new salary. You can then adjust that amount by entering an amount in the EEA Salary field and **A** to add the amount on the transaction to the amount in the Employee Master File or **S** to subtract the amount. To reset the EEA salary to zero, an EEA Salary Indicator of **N** must be entered with an EEA salary of **zeros**.

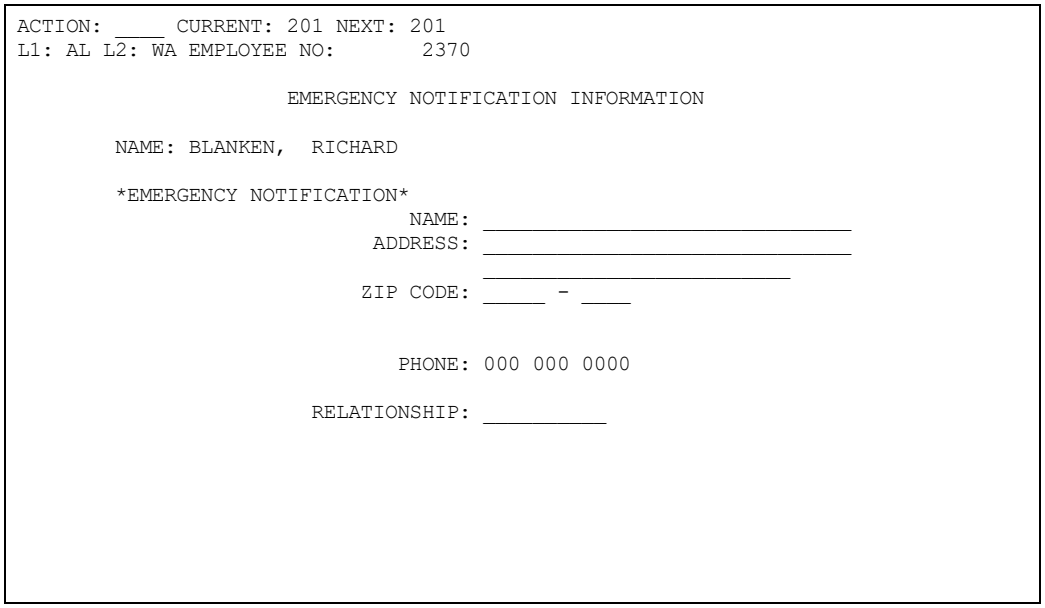
Maintaining Other Employee Information

Use the following screens to maintain basic information about an employee:

Function	Realtime Screen	Online U.S. Screen	Online Canadian Screen	Associated Transactions
Maintenance of Miscellaneous Information:				
Emergency Notification Information	201	81	81	PV-5, PV-6
Employee Family Data	202	81	82	PF-1, PV-4, PG-3
Higher Education and Training	203	85	85	PF-2, PF-3, PF-4
Employee Career Planning	204	82	82	PF-1, PF-5, PH-7, WU-2
		91	91	PG-5, PH-7, WU-1, WU-2, PH-8
Employee Skills	205	89	89	PV-3
Employee Basic Benefits	206	83	83	PF-8, PF-9
Employee Physical Data	207	90	90	PV-8, PG-4
		81	93	PG-4, PV-8,
Employee Service Dates	208	81	81	PH-2, PH-7
		82	82	PF-5, PF-6, PF-7, PH-2
Establishing Employee Preferences	209	NA	NA	PF-1
Performance Reviews	210	89	89	PV-2
Employee's Organization Property	212	83	83	PG-1
Military and Driver's License Data	215	85	85	PV-7, WU-1
Employee Job Information	232	82	82	PF-6, PF-7
Employee Transfer History	NA	89	89	PH-1

Screen 201 - Emergency Notification Information

Use realtime Screen 201, online Screen 81, or the PV-5 and PV-6 transactions to enter an employee's emergency contact information (name and address).



Fields

All data items are user defined

Contact Name

The Contact Name must be entered in the following format:

Last Name **comma two blanks** ***First Name*** **one blank** ***Initials***

For example, you would enter **Anderson, William T**.

Screen 202 - Employee Family Data

Use realtime Screen 202, online Screen 81, or the PF-1, PG-3, and PV-4 transactions to enter data about the employee's family (spouse and children). All data items are user defined, except sex code, which is pre-defined.

Up to 10 iterations of information about the employee's children can be maintained for each employee.

```
ACTION: ____ CURRENT: 202 NEXT: 202
L1: AL L2: WA EMPLOYEE NO:       2370

                              EMPLOYEE FAMILY DATA

        NAME: BLANKEN,  RICHARD
        MARITAL STATUS: 2                          MARRIAGE DATE: 0000/00/00
                                                   NUMBER OF CHILDREN: 00
        *SPOUSE DATA*
          NAME: ____________________________       SEX: _
          SOC SEC NO: ___________                  BIRTHDATE: 0000/00/00

        *CHILDREN*
FUNC ITER  NAME         SEX BIRTHDATE     FUNC ITER  NAME         SEX BIRTHDATE
_     01   ___________  _ 0000/00/00      _     02   ___________  _ 0000/00/00
_     03   ___________  _ 0000/00/00      _     04   ___________  _ 0000/00/00
_     05   ___________  _ 0000/00/00      _     06   ___________  _ 0000/00/00
_     07   ___________  _ 0000/00/00      _     08   ___________  _ 0000/00/00
_     09   ___________  _ 0000/00/00      _     10   ___________  _ 0000/00/00

INSERT NEW CHILD DATA IN DATE ORDER OR ITERATION ORDER
  DATE ORDER (FUNC=*,ITER=SPACES)  ITER ORDER (FUNC=SPACES,ITER=01 THRU 10)
_     __ ___________   _ ___________
_     __ ___________   _ ___________
```

Fields

Iteration Number

When a code of ****** is placed in the Iteration Number field, the iterations for an employee's children are maintained by the date in the Child Birth Date field.

Update Code

When the update code is **blank**, iterations are added in order by date.

When the update code is **R**, the iteration in the file that has a matching child birth date is replaced.

When the update code is **D**, the iteration in the file that has a matching child birth date is deleted.

Screen 203 - Higher Education and Training

Use realtime Screen 203, online Screen 85, or the PF-2, PF-3, and PF-4 transactions to enter higher education data.

```
ACTION: ____ CURRENT: 203 NEXT: 203
L1: AL L2: WA EMPLOYEE NO:       2370

                              EMPLOYEE EDUCATION

NAME: BLANKEN,  RICHARD
PROFESSIONAL LICENSE 1: _____             PROFESSIONAL LICENSE 2: _____
TOTAL YEARS EDUCATION: 00                 EDUCATION IN PROGRESS: _
                                           YEAR COMPLETED: 0000
*HIGHER EDUCATION*
     SCHOOL    DEGREE              DATE       MAJOR             MINOR
1 __________ ___                0000/00/00    ___               ___

2 __________ ___                0000/00/00    ___               ___

3 __________ ___                0000/00/00    ___               ___

4 __________ ___                0000/00/00    ___               ___

*TRAINING*
                    SCHOOL     CERT      DATE       FIELD OF STUDY
          1          _____      ___     0000/00/00   _______
          2          _____      ___     0000/00/00   _______
          3          _____      ___     0000/00/00   _______
```

Fields

All fields are user defined:

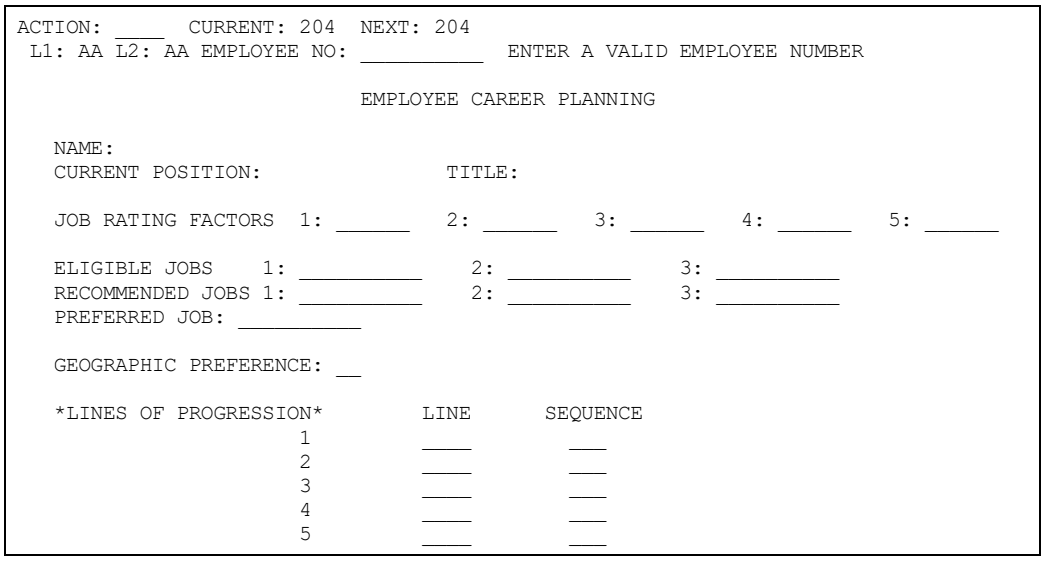
- Major and minor fields of study
- Professional licenses and memberships
- School code
- Degree code
- Degree date

Values and descriptions must be established in the HRMS Tables File for the following information:

- Higher education field of study - major and minor
- Degree
- Training school's field of study

Screen 204 - Employee Career Planning

Use realtime Screen 204, online Screen 82 and 91, or the PH-7, PF-5, PF-1 and WU-2 transactions to enter career planning information for an employee. Line of progression data is also used for workforce utilization.



Fields

All entries are user defined.

Eligible and Recommended Jobs

You can enter up to three eligible or recommended (or both) job codes for each employee.

Job Rating Factors

The five job rating factors are used to store information about the employee's position, and they can be related to a job profile, job description, or grading method.

Line of Progression Fields

Enter the line of progression data for workforce utilization. Five occurrences of line of progression data are available with each occurrence consisting of Line of Progression and Line of Progression Sequence fields.

Line of Progression

The Line of Progression field contains a position in a formal career path that an employee's position is associated with.

Line of Progression Sequence

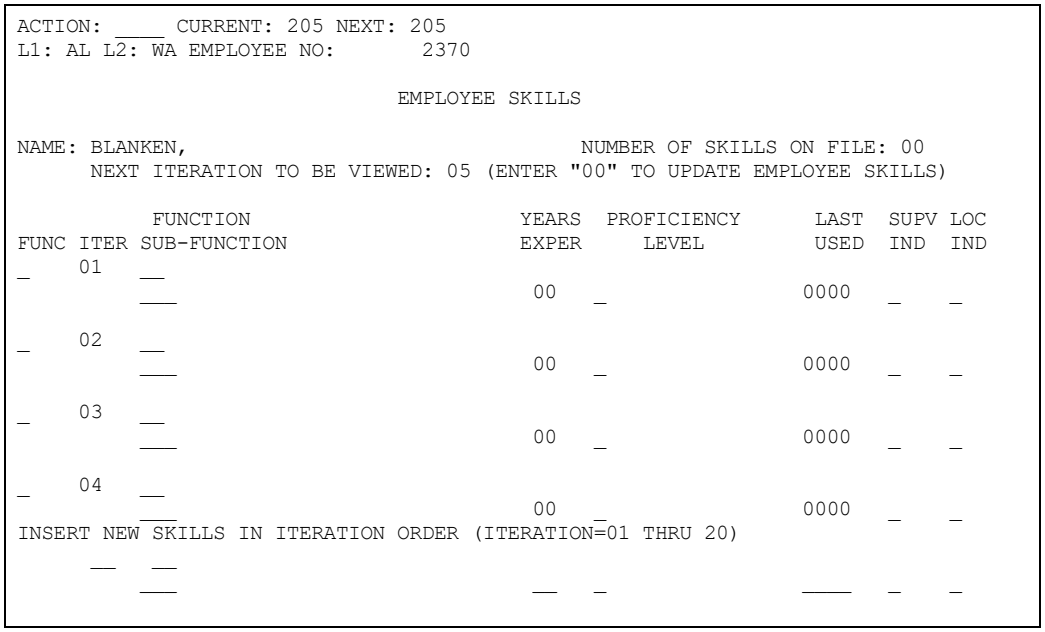
The Line of Progression Sequence field contains the sequence of an employee's position within that line of progression. It is used to sort positions within a line of progression for reporting.

Geographic Preference

The value and description must be established on the HRMS Tables File.

Screen 205 - Employee Skills

Use realtime Screen 205, online Screen 89, or the PV-3 transaction to enter skill data for the employee. Up to 20 skills can be entered for each employee.



```
ACTION: ____ CURRENT: 205 NEXT: 205
L1: AL L2: WA EMPLOYEE NO:       2370

                              EMPLOYEE SKILLS

NAME: BLANKEN,                                  NUMBER OF SKILLS ON FILE: 00
      NEXT ITERATION TO BE VIEWED: 05 (ENTER "00" TO UPDATE EMPLOYEE SKILLS)

           FUNCTION                       YEARS  PROFICIENCY      LAST  SUPV LOC
FUNC ITER SUB-FUNCTION                    EXPER     LEVEL         USED  IND  IND
_    01   __
          ___                              00   _               0000   _    _

_    02   __
          ___                              00   _               0000   _    _

_    03   __
          ___                              00   _               0000   _    _

_    04   __
          ___                              00   _               0000   _    _
INSERT NEW SKILLS IN ITERATION ORDER (ITERATION=01 THRU 20)
      __   __
          ___                              __   _               ____   _    _
```

Predefined Data Fields

These are predefined data items:

- Supervisory Indicator
- Location Indicator

User-Defined Data Fields

These are user-defined data items:

- Skill Function
- Skill Subfunction
- Years Experience
- Proficiency Level
- Last Year Use

The codes and translations for skill functions, subfunctions, and proficiency levels must be established on the HRMS Tables File.

Screen 206 - Employee Basic Benefits

Use realtime Screen 206, online Screen 83, or the PF-8 and PF-9 transactions to enter group health and life insurance data and stock plan data for the employee. You can also enter pension, permanent advance, and profit sharing data for the employee.

```
ACTION: ____ CURRENT: 206 NEXT: 206
L1: AL L2: WA EMPLOYEE NO:       2370

                            EMPLOYEE BASIC BENEFITS

    NAME: BLANKEN,  RICHARD

                        PLAN  TYPE        AMOUNT
    LIFE INSURANCE
                1        __    _              .00
                2        __    _              .00
                3        __    _              .00

    GROUP HEALTH INS     __    _              .00 DEPENDENTS:  0

    STOCK PLAN           __    _              .00
    PROFIT SHARING       __    _              .00 DATE ELIGIBLE: 0000/00/00
    PENSION PLAN         __    _              .00 DATE ELIGIBLE: 0000/00/00

    PERMANENT ADVANCE                         .00 DATE DUE: 0000/00/00

    CREDIT UNION MEMBER: _
```

Fields

All data fields are user defined.

These are some of the data items available:

- Group Health Plan Code
- Group Health Plan Type
- Number of Dependents
- Life Insurance Plan Code, type, and amount
- Stock Plan Code, type, and amount
- Profit Sharing Plan, type, amount and date eligible
- Pension Plan, type, amount and date eligible

Codes and translations for the group health insurance type must be established on the HRMS Tables File.

Screen 207 - Employee Physical Data

Use realtime Screen 207, online Screen 81 (U.S.) or 93 (Canada), or the PG-4 and PV-8 transactions to enter health and birth place data for the employee. On-the-job injury data can also be maintained on realtime Screen 207 or online Screen 99.

All data is user defined.

```
ACTION: ____ CURRENT: 207 NEXT: 207
L1: AL L2: WA EMPLOYEE NO:       2370

                          EMPLOYEE PHYSICAL DATA
NAME: BLANKEN,  RICHARD
                                    HEIGHT: 0 00 WEIGHT: 000 BLOOD TYPE:
LAST PHYSICAL EXAM: 0000/00/00      NEXT PHYSICAL EXAM: 0000/00/00
GENERAL HEALTH: __                  DISABILITY/HANDICAP: ____________________
                                *INJURY DATA*
    FUNC  ITERATION    DATE         TIME LOST        JOB CODE        TYPE
     _       01       0000/00/00         .00       __________       ____
     _       02       0000/00/00         .00       __________       ____
     _       03       0000/00/00         .00       __________       ____
     _       04       0000/00/00         .00       __________       ____
     _       05       0000/00/00         .00       __________       ____
     _       06       0000/00/00         .00       __________       ____
     _       07       0000/00/00         .00       __________       ____
     _       08       0000/00/00         .00       __________       ____
     _       09       0000/00/00         .00       __________       ____
     _       10       0000/00/00         .00       __________       ____
INSERT NEW PHYSICAL DATA IN DATE ORDER OR ITERATION ORDER
  DATE ORDER (FUNC=*,ITER=SPACES)  ITER ORDER (FUNC=SPACES,ITER=01 THRU 10)
     _       __       __________     ________       __________       ____
     _       __       __________     ________       __________       ____
```

Health and Birth Place Data Fields

The following data items are available:

- Employee height and weight
- General health
- Dates of last and next physical examinations
- Disabilities and handicaps
- Blood type
- Employee birth place

Codes and translations for the employee's general health must be established on the HRMS Tables File.

On-the-Job Injury Fields

Up to 10 iterations of on-the job injury data can be maintained for each employee.

Iteration Number

When a code of ** is placed in the Iteration Number field, the iterations are maintained by the date in the Injury Date field.

Screen 208 - Employee Service Dates

Use realtime Screen 208, online screens 81 and 82, or the PF-7 and PH-2 transactions to enter information about previous employment, leave of absence, current employment dates, and termination.

```
ACTION: ____ CURRENT: 208 NEXT: 208
L1: AL L2: WA EMPLOYEE NO:       2370

                          EMPLOYEE SERVICE DATES

NAME: BLANKEN,  RICHARD
STATUS:

*CURRENT EMPLOYMENT*
HIRE DATE: 1990/01/01                    ADJUSTED SERVICE DATE: 0000/00/00
LENGTH OF SERVICE: 10 YEARS 06 MONTHS
TERMINATION DATE:  0000/00/00            REASON: __
REHIRE CONSIDERATION: _

*PRIOR SERVICE*
HIRE DATE:  0000/00/00                   LENGTH OF SERVICE: 00 YEARS 00 MONTHS
TERMINATION DATE: 0000/00/00             REASON: __

*LEAVE OF ABSENCE*
TYPE: __
BEGIN DATE: 0000/00/00                   RETURN DATE: 0000/00/00
```

Fields

All data items are user defined.

Current Employment Date

The date of current employment is used to indicate the beginning of the employee's most recent continuous service.

For active employees, the system calculates the current length of service by subtracting the date of current employment from the run date on the AA transaction.

Adjusted Service Date

If a date is entered in the Adjusted Service Date field, codes and translations must be established on the HRMS Tables File for the Leave of Absence Type, Termination Reason, and Rehire Consideration fields.

When entered, this date is used to calculate length of service instead of the current employment date.

Leave of Absence

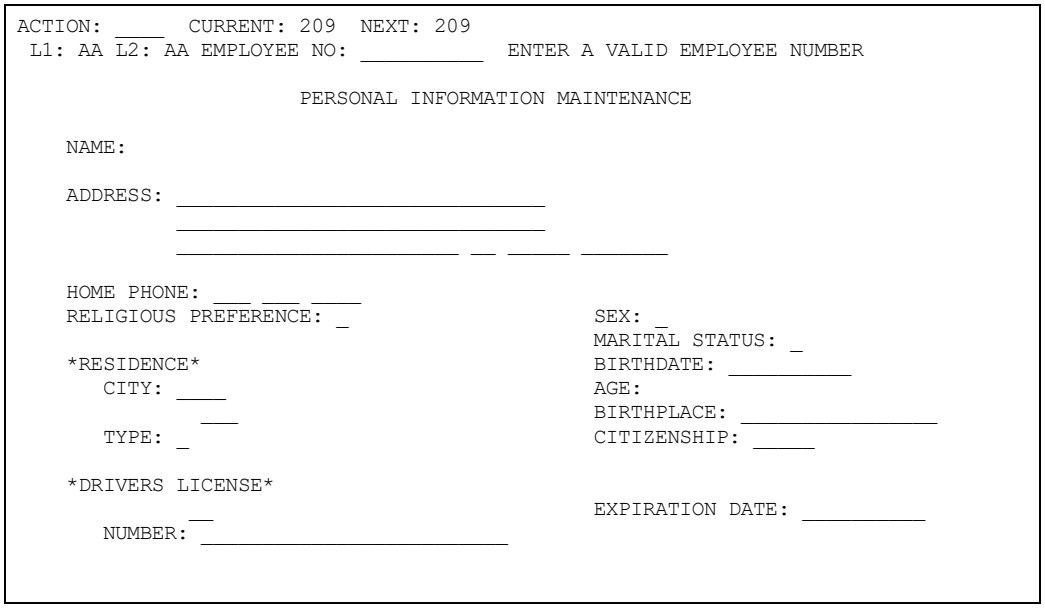
If Leave of Absence information is entered, the type code must be established on the HRMS Tables File:

- Type
- Begin Date
- Return Date

Screen 209 - Personal Information Maintenance

Use Screen 209 to enter an employee's personal information. The associated batch transactions are PF-1, PG-4, PV-7, RC-1, and RC-2. Values must be established on the HRMS Tables File to add information to this screen for these fields:

- Religious preference
- Residence type
- Geographic preference



Screen 210 - Performance Reviews

Use realtime Screen 210, online Screen 89, or the PV-2 transaction to enter performance review data for the employee. Up to 10 performance reviews can be entered for each employee.

```
ACTION: ____ CURRENT: 210 NEXT: 210
L1: AL L2: WA EMPLOYEE NO:       2370

                              PERFORMANCE REVIEWS

      NAME: BLANKEN,  RICHARD
      PROMOTIONAL READINESS: __                    DATE NEXT REVIEW: 0000/00/00

        FUNC   ITER      DATE       SUPERVISOR   RATING    JOB CODE
          _      01     0000/00/00  __________      0      __________
          _      02     0000/00/00  __________      0      __________
          _      03     0000/00/00  __________      0      __________
          _      04     0000/00/00  __________      0      __________
          _      05     0000/00/00  __________      0      __________
          _      06     0000/00/00  __________      0      __________
          _      07     0000/00/00  __________      0      __________
          _      08     0000/00/00  __________      0      __________
          _      09     0000/00/00  __________      0      __________
          _      10     0000/00/00  __________      0      __________

INSERT NEW PERFORMANCE REVIEW DATA IN DATE ORDER OR ITERATION ORDER
  DATE ORDER (FUNC=*,ITER=SPACES)    ITER ORDER (FUNC=SPACES,ITER=01 THRU 10)
          _      __     __________  __________    ___     __________
          _      __     __________  __________    ___     __________
```

Fields

All data items are user defined.

Promotional Readiness

Codes and translations for the Promotional Readiness field must be established on the HRMS Tables File.

Date of Next Performance Review

Enter the date of the employee's next performance review.

Iteration Number

When a code of ****** is placed in the Iteration Number field, the iterations are maintained by the performance review date.

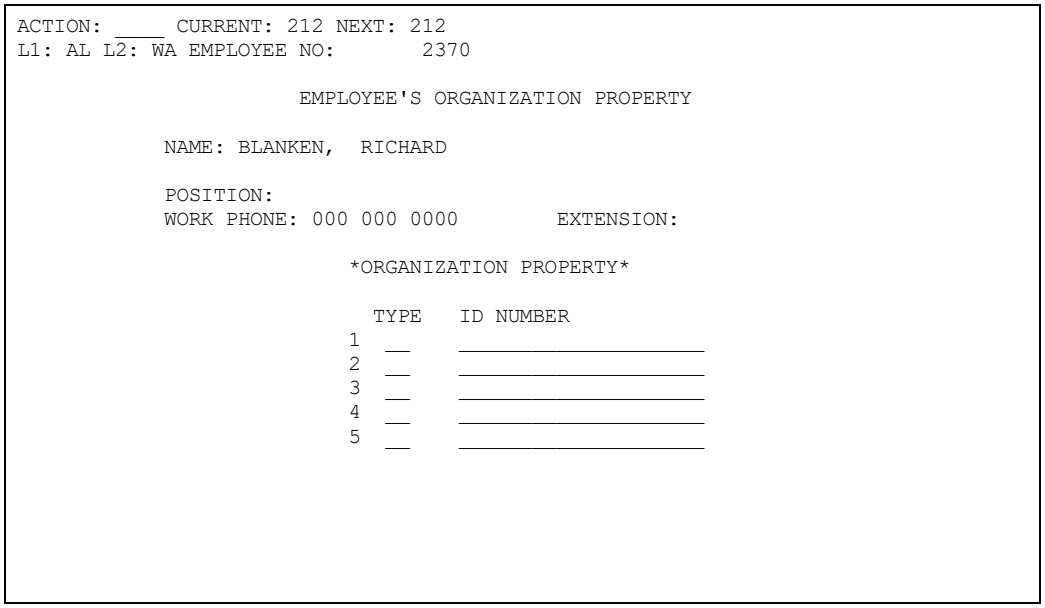
Update Code

When the update code is

- **Blank**, iterations are added in order by date.
- **R**, the iteration in the file that has a matching performance review date is replaced.
- **D**, the iteration in the file that has a matching performance review date is deleted.

Screen 212 - Employee's Organization Property

Use realtime Screen 212, online Screen 83, or the PG-1 transaction to enter organization property for the employee.



Fields

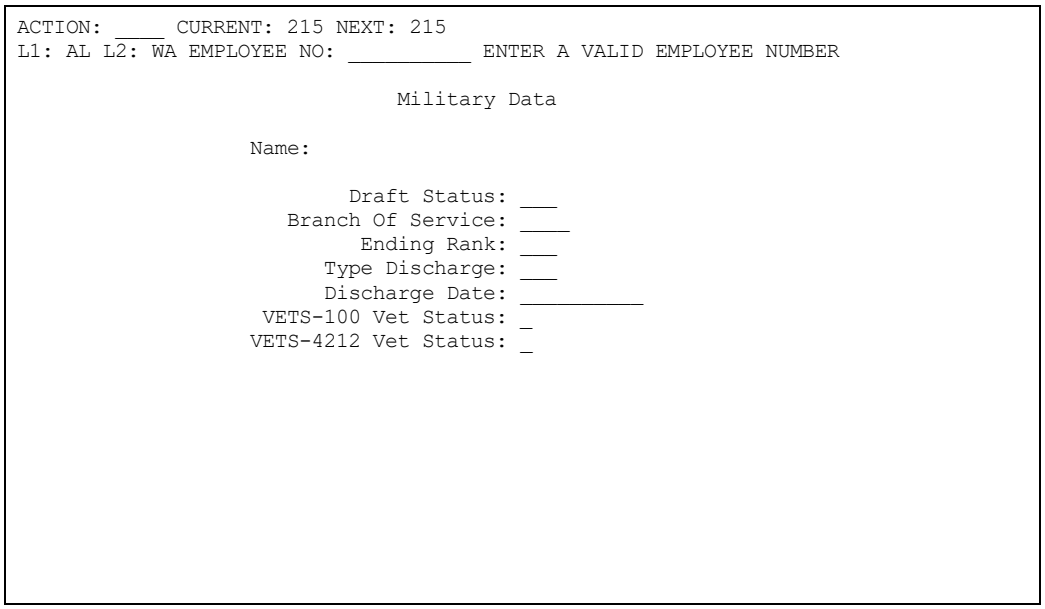
All data items are user defined.

Type Code User-determined code to indicate type of organization property given to the employee.

ID Number The number of the organization property issued to the employee.

Screen 215 - Military Data

Use realtime Screen 215, online Screen 85, or the PV-7 to enter military data for the employee. You can also enter an employee's veteran's status for VETS-4212 reporting on this screen.



Fields

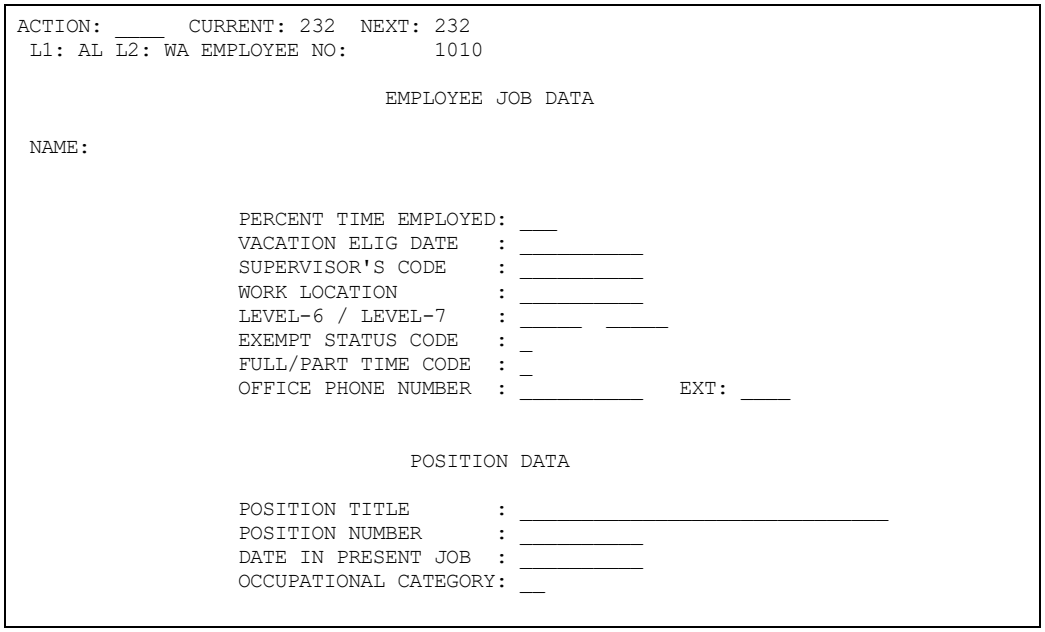
All data items are user defined except for Veteran's Status.

Veteran's Status

Veteran's status is predefined for VETS-4212 reporting. See the Help text for Screen 215 or the WU-1 transaction description.

Screen 232 - Employee Job Information

Use realtime Screen 232, online Screen 82, or the PF-6 and PF-7 transactions to enter job identification data for the employee.



Fields

These fields are predefined:

- Occupational Category
- Full/Part Time Code
- Exempt Status Code

The remaining fields are user defined.

Federal Job Code

Federal job code can be a user-defined code. The job class prefix can be the same as those in the Federal Dictionary of Occupational Titles.

The Federal job code is entered on online Screen 82 or realtime Screen 229 if the Position Control module is used.

Work Location

Work Location field can contain a city, building number, room number, or anything the user wants to enter.

Supervisor's Code

The Supervisor's Code field can contain a name, job number, badge number, employee number, and so on, as long as it is consistent.

Vacation Eligibility Date

The Vacation Eligibility Date field contains the date the employee is eligible for vacations.

Screen 89 - Employee Transfer History

Use online Screen 89 or the PH-1 transaction to enter data for the five iterations of transfer history kept on the Employee Master File.

The data is generated by the system if the level 1 - level 2 or employee number changes. If any other fields change, you must enter the information on Screen 89.

```
ACTION: _____   CURR: 089   NEXT: 90
    L1: AL  L2: WA  EMPNO:       2370  MRC: _  EFF DATE: ________
                              SALARY CHANGE DATA
ITER NUM:       DATE       AMT           PCT   REASON    JOB      NEXT SAL REV
CD: _   __   ________   _____________   ______   __   __________     ________

                            PERFORMANCE REVIEW DATA
ITER NUM:       DATE     SUPERVISOR   RATING   JOB     NEXT PERF REV PROM READ
CD: _   __   ________   __________   ___   __________   ________       __

                                    SKILL DATA
ITER NUM:      FUNC  SUB-FUNC  YRS EXP  PROF   LAST YR SUPR  LOC
CD: _    __    __      ___      __      _      ____    _     _
          __    __      ___      __      _      ____    _     _
          __    __      ___      __      _      ____    _     _


ITER                                  TRANSFERS
NUM     DATE      L1    L2    L3      L4      L5       L6      L7
_   ________    __    __   ____    ____    ____    _____   _____
LOC: __________  NO: __________  RS: __  FED: ___  CAT: __  UPDT: _
```

Fields

All data items are user defined.

Transfer Reason

The code values for Transfer Reason field are user defined. Codes and translations for the Transfer Reason field must be established on the HRMS Tables File.

Iteration Number

When a code of ****** is placed in the Iteration Number field, the transfer history iterations are updated by the date in the Transfer Effective Date field.

Update Function

When the update function is **blank**, the iteration is added in order by date.

When the update function is **D**, the iteration having a date matching the transfer effective date is deleted.

When the update function is **R**, the iteration with a matching date is replaced.

This feature does not work for replacements or deletions if two or more iterations in the file contain the same date.

Setting Up Health Care Segments and Supplemental Addresses

The Health Care segments (450 – 499) on the Employee Master File are a result of the Omnibus Budget Reconciliation Act and are referred to as OBRA segments in the HCM:E Payroll system.

Using the Health Care segments, HCM:E is able to store the following information for your employees and their dependents:

- Group health plan information:
  - Group insurance plan description
  - Group plan identification number
  - Group insurance carrier name
  - Group insurance carrier address
- Type of insurance coverage (Medical, Life, and so on)
- Dependent information
  - Dependent name
  - Dependent social security number
  - Relationship of dependent to employee
- Time period of plan coverage

Supplemental Address Data

Supplemental address data segments are provided for other preferred addresses for employees and addresses for dependents. A maximum of 24 supplemental addresses per employee can be maintained on the Employee Master File. These addresses are identified by an address identifier and type and are used for the following purposes:

- A, C, and W address types for employee preferred mailing addresses for:
  - Checks
  - All U.S. and Canadian regulatory forms and reporting regulatory information submitted on magnetic media or through electronic filing.
- User-defined address types (1 – 9):
  - Employee other addresses (for example, work station)
  - Employee addresses to be associated with dependent's personal data record

The following supplemental data fields are available:

- Unique Address Identifier
- Street Address 1
- Street Address 2
- City
- State/Province
- ZIP + Extension/Postal Code
- Country Code
- Address Type Code

Employee Health Plan Data

A maximum of 16 health plans for each employee and each dependent can be established. This data is maintained for each employee and dependent health plan:

- Unique Plan Identifier
- Coverage Begin Date
- Coverage End Date
- Plan Status
- Coverage Type
- Alphanumeric User Fields 1 and 2

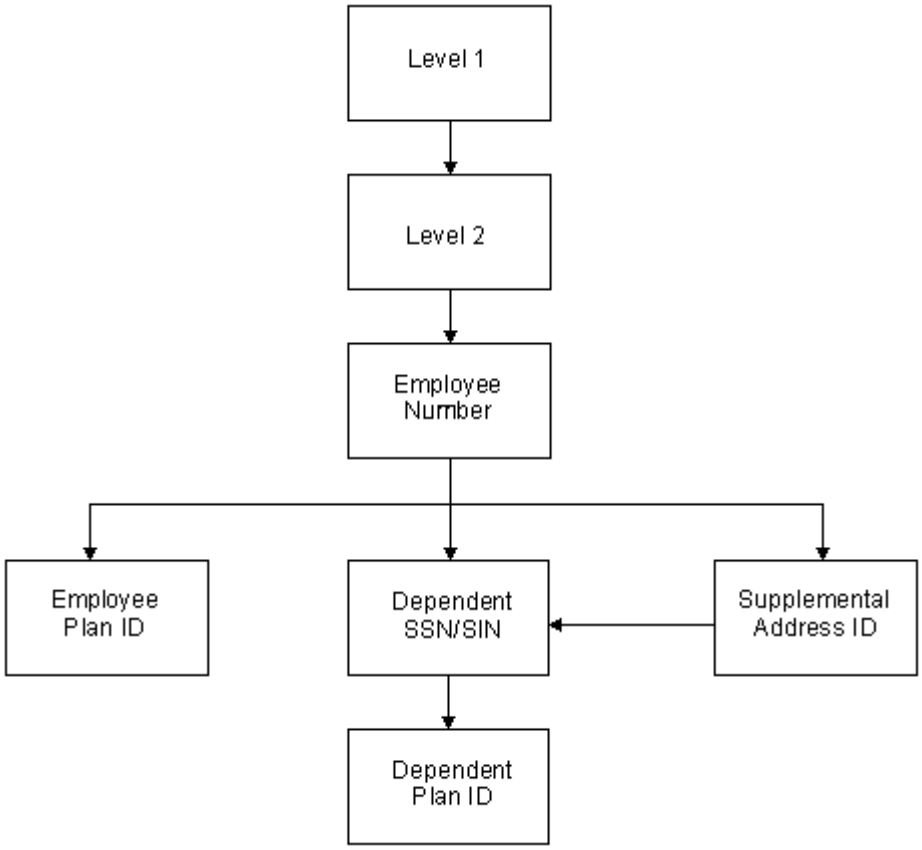
Personal Data for Employee's Dependents

The following personal data can be maintained for up to 20 dependents:

- Dependent name
- Social security number or social insurance number
  - U.S. social security number: Must have a leading space or zero. Cannot be all **0s**, **1s**, or **3s**. Cannot begin with 3 **blanks**, **000**, or **729-998**. To indicate that a social security number is not available, enter seven **9s** followed by a unique 2-digit number between **01** and **24**.
  - Canadian social insurance number: Must be numeric.
  - For a maintenance code of C on the SW transaction: SSN/SIN can be entered with a leading space or leading zero. The leading zero will be suppressed when searching for a matching SSN/SIN. If the SSN/SIN is entered left-justified with a blank in the last position, it will be right-justified when searching for a matching SSN/SIN (segments 452 491).
- Address identifier
- Sex code
- Relationship code (relationship of dependent to employee)
- Dependent status
- Dependent date of birth
- Dependent date of death
- User alphanumeric fields 1, 2, and 3
- User date fields 1 and 2
- User numeric fields 1 and 2

Organization of Data

This diagram shows the organization of this data.



Employee Health Plan Data

Employee health plan data is organized on the Employee Master File by Level 1 - Level 2, employee number, and health plan ID.

Dependent Personal Data

Dependent personal data is organized by Level 1 - Level 2, employee number, and dependent social security number.

Dependent Health Plan Data

Dependent health plan data is organized by Level 1 - Level 2, employee number, dependent social security number, and health plan ID.

Supplemental Address Data

Supplemental address data is organized by Level 1 - Level 2, employee number, and supplemental address ID. Supplemental addresses for employees can be associated with the dependent's personal data record.

Transactions and Screens to Set Up Health Care Data and Supplemental Addresses

To set up health care and supplemental addresses data for your employees, HRMS Tables File and Employee Master File transactions are involved. The following tables display the transactions used for setting up data, the screens to use for realtime or online processing, and the segments of the Employee Master File where the data is maintained. Transactions can also be processed in batch.

Transaction and Screen Cross-reference Tables

The following sets of tables show the transactions and screens used in health care and supplemental addresses processing by associated HCM:E file. The cross-reference tables list the transactions and their associated screens. The screen tables are organized by screen number and briefly describe the realtime and online screens listed in the cross-reference tables. For detailed information about screens, see the *Screen Reference Guide*.

HRMS Tables

Transaction to Realtime Screen Cross-Reference

Transaction Description	Transaction Code	Realtime Screen Number
Dependent Relationship Translation	TS1-001	363, 364, 365
Dependent Status Translation	TS1-002	363, 364, 365
Plan Status Translation	TS1-003	363, 364, 365
Plan Coverage Type	TS1-004	363, 364, 365
Country Code Translation	TS1-005	363, 364, 366
Health Plan Organizational Information	TS2-001, TS2-002, TS2-003	363, 364, 368

Realtime Screens Affecting HRMS Tables File

Realtime Screen	Description
363	Supplemental Address/Dependent/Health Plan Data
364	Supplemental Address/Health Plan Translation Menu Select translation you want to update (Dependent Relationship, Dependent Status, Health Plan Status, Health Plan Coverage Type, or Country Code).
365	*XXXXXXXXXXX* Translation Update or add a translation code from the category selected on screen 364. Screen title changes depending on which category was selected. This screen does not apply to Country Code category on screen 364.
366	Country Code Translation Update or add a country code translation.
367	Health Plan Selection Add, delete, or select for maintenance the health plan carrier information.

(continued)

Realtime Screen	Description
368	Health Plan Data Update or add health plan carrier information.

Employee Master — Transaction to Realtime Screen Cross-Reference

Transaction Description	File Segment	Transaction Code	Function	Realtime Screen
Supplemental Address Data	492 – 499	SF	Select Address IDs for maintenance	241
			Add Address IDs	
		SF, SG	Add Address Data	242
			Change Address Data	242
Adding Employee Health Plan Data	450 – 451	SV	Select Employee Plan	245
			Add New Employee Plan Data (must access screen 247 through screen 245)	247
Changing Employee Health Plan Data	450 – 451	SV	Select Employee Plan for Maintenance	245
			Change Employee and Dependent Plan Data (must access screen 246 through screen 245)	246
Dependent Personal Data	452 – 491	SW	Select Existing Dependents for Maintenance	235
			Add New Dependents	235
			Change Dependent SSN/SIN	235
		SW, SX, SY	Add Dependent Personal Data	235/237
			Change Dependent Personal Data (must access screens 236 and 237 through screen 235).	236
Dependent Health Plan Data	452 – 491	SZ	Select Dependents for Maintenance	238
			View Dependent Plan	239
			Select Dependent Plans for Maintenance	239
			Add New Plan to Dependent	239
			Add Dependent Plan Data	240
			Change Dependent Plan Data	240
Dependent Health Plan Data (Copy from Employee to Dependent)	452 – 491	SZ	Select Dependent for Maintenance	243
			Copy All Active Employee Plans to Dependent	244
			Select Specific Active Employee Plans to Copy To Dependent	244

Transaction to Online Screen Cross-Reference

Transaction Description	File Segment	Transaction Code	Function	Online Screen
Supplemental Address Data Entry	492 – 499	SF and SG	Add Address IDs and Data	731
			Change Address IDs	731
		SF	Delete Address IDs and all related address data	731
Supplemental Address Data Inquiry	492 – 499	SF and SG	View Supplemental Address Data	722 – 727
Employee Health Plan Data Entry	450 – 451	SV	Add Employee Plans	728
			Delete Employee Plans	728
Employee Health Plan Data Inquiry	450 – 451	SV	View Employee Plan Data	701
Dependent Personal Data Entry	452 – 491	SW	Add New Dependents	729
		DW and SW	Delete Dependents	729
		SW, SX, SY	Change Dependent Personal Data	729
Dependent Personal Data Inquiry	452 – 491	SW, SX, SY	View Dependent Personal Data	702 – 721
Dependent Health Plan Data Entry	452 – 491	SZ	Copy All Active Plans from the Employee to Dependent	730
			Add Plans to Dependent	730
			Delete Dependent Plan Data	730
		SZ	View Dependent Plan Data	702 - 721

Realtime Screens Affecting Employee Master File

Realtime Screen	Description
234	Supplemental Address/Dependent/Health Plan Data Menu
235	Dependent Personal Data Selection Select a dependent for maintenance, or add a new dependent, or change the SSN/SIN of a dependent.
236	Dependent Personal Data Maintain or add dependent's personal data.
237	Dependent SSN/SIN Change Requires response to change dependent's SSN/SIN. Cannot access directly. Transferred from screen 235.
238	Dependent Health Plan Selection Select a dependent for health plan maintenance.
239	Health Plan Selection Select or add a health plan for the dependent.
240	Health Plan Data Maintain a dependent's health plan.
241	Supplemental Address Selection Select or add a supplemental address for the employee.
242	Supplemental Address Data Maintain a dependent's health plan.
243	Employee/Dependent Health Plan Selection Select a dependent to which you wish to copy one or more of the associated employee's health plans.
244	Employee to Dependent Health Plan Selection Select one or more of an employee's health plans to be copied to a dependent.
245	Employee Health Plan Selection Select or add a health plan for an employee.
246	Employee Health Plan Maintenance Maintain health plans or select dependents whose records should be updated with the health plan information. Cannot access directly. Transferred from screen 245.
247	New Employee Health Plan Add a new health plan for an employee and (optionally) add a plan at the dependent level at the same time. Cannot access directly. Transferred from screen 245.

Online Screens Affecting Employee Master File

Online Screen	Description
700	Supplemental Address/Dependent/Health Plan Data Menu
701	Employee Health Plan Data Inquire on up to 16 occurrences of health plan data at the employee level.
702 – 721	Dependent Personal/Health Plan Data Inquire on up to 20 occurrences of dependent personal data and up to 16 occurrences of health plan data per dependent.
722 – 727	Supplemental Address Data Inquire on up to 24 occurrences of supplemental address data.
728	Employee Health Plan Data Entry Maintain health plan data at the employee level.
729	Dependent Personal Data Entry Maintain health plan data at the dependent level.
730	Dependent Health Plan Data Entry Maintain health plan data at the dependent level.
731	Supplemental Address Data Entry Maintain supplemental address data for an employee.

Establishing Health Care Data for Your Company and Supplemental Addresses for Your File

This process is recommended for establishing health care (OBRA) data on your Employee Master File.

Step	Action
1	Build the HRMS Table file information.
2	Establish supplemental addresses
3	Establish employee health plan information.
4	Establish dependent personal data.
5	Establish dependent health plan data.

Each of the steps is discussed more fully in the following sections.

Build the HRMS Table File Information

The TS1-001, TS1-002, TS1-003, TS1-004, and TS1-005 transactions are not Level 1-Level 2 specific. Their purpose is to establish generic dependent relationship codes, dependent and plan status codes, health plan coverage type codes, and country codes for all Level 1 – Level 2s. All data on these transactions is user defined and can be processed in batch or established on realtime screens 363 through 366.

The TS1-005 record establishes a country code and country translation. Although the data is user defined, it is recommended that country codes used for supplemental addresses and U.S. regulatory reports following MMREF-1 formats be the same country codes as listed in the SSA MMREF-1 specifications.

The TS2-001, TS2-002, and TS2-003 transactions must be set up for each Level 1-Level 2. Group health plan identifier, plan description, insurance carrier identification number and control number, and insurance carrier address information is maintained on these transactions. Data on these transactions must be established on the HRMS Tables File before health plan data can be set up for your employees or dependents. Group health plan information can be processed in batch or established on realtime screens 363, 364, and 368.

Establish Supplemental Addresses

The SF and SG transactions are Level 1, Level 2, and employee number specific, and the Address Identifier field is a required field. The supplemental addresses are for another address that can be used instead of the 201 segment employee address. Supplemental address can be used for three purposes:

- User-defined purpose
- Regulatory reporting
- Check address

User-Defined Purpose

Address type codes of **blank** and **1** through **9** are user-defined values that can also be used for associating employee supplemental addresses with dependent records using the SW transaction.

Regulatory Reporting

Address type codes **A** and **W** provide for another preferred address for all U.S. and Canadian regulatory reporting purposes; for mailing forms such as U.S. W-2s and 1099-Rs and Canadian T4, T4A, and Releves; and for submitting regulatory reports to governmental authorities on magnetic media or through electronic filing.

Address type code **A** indicates a U.S. or Canadian supplemental address reporting state or province and ZIP or postal code.

Address type code **W** indicates a supplemental address for countries other than the U.S. and Canada used for regulatory reporting.

An employee can have both type **A** and **W** supplemental addresses, but just one of each. If either type **A** or **W** is defined, one of these will be used for all regulatory reports the employee is reported on, instead of the employee address from the 201 segment. If both are defined, however, the type **W** address is used for all regulatory reports the employee is reported on.

Check Address

Address type code **C** is provided by HCM:E for an another address for the Check Writer. HCM:E can use either the 201 segment employee address or the supplemental address for this purpose. If a type **C** supplement address is defined, it is used.

Each employee's record can contain only one type **C** address.

Number of Supplemental Addresses Allowed

Each employee's record can contain one type **A** supplemental address, one type **W**, one type **C**, and multiple types **1** through **9** (or none at all) up to the maximum of 24 supplemental addresses.

Establish Employee Health Plan Information

The SV transaction is Level 1 - Level 2, employee number, plan ID, and coverage begin date specific. Plan ID and begin date are required fields when adding a new health plan for the employee. Employee health plan information cannot be set up for the employee unless the health plan information has already been established on the HRMS Tables File.

Employee health plan information can be established in batch or using online screen 728 or realtime screens 245 and 247. Screen 247 cannot be accessed directly and is not shown on the Realtime Screen Menu. A plan ID and coverage begin date must be entered on realtime Screen 245 to access Screen 247.

More than one plan ID can be set up for an employee. However, a coverage end date must be found for the prior plan with the same plan ID and the coverage begins date for the new plan with the same plan ID must be after the coverage end date of the previous plan.

For specific transaction requirements, see the *Transactions Descriptions* guide, and for screen processing requirements, see the *Screen Reference Guide*.

Establish Dependent Personal Data

The SW, SX, and SY transactions are Level 1 - Level 2, employee number, and dependent SSN/SIN specific. The dependent name is required when a new dependent is being added to the employee's record in the Employee Master File. The address ID cannot be entered for the dependent unless the address identifier code and address information have been previously established for the employee in the supplemental address records on the Employee Master File. Dependent relationship and status codes cannot be entered for the dependent unless they have been previously defined on the HRMS Tables File. When adding a new dependent, the SX and SY transactions cannot be processed without the SW transaction.

Dependent personal data can be set up in batch, on online screen 729, or on realtime screens 235 and 236.

For specific transaction requirements, see the *Transactions Descriptions* guide, and for screen processing requirements, see the *Screen Reference Guide*.

Establish Dependent Health Plan Data

The SZ transaction is Level 1 - Level 2, employee number, dependent SSN/SIN, plan ID, and coverage begin date specific. The Plan ID and Coverage Begin Date fields are required when a new health plan is being added for the dependent. Dependent health plan information cannot be set up for the dependent unless the health plan has been defined on the HRMS Tables File. A health plan can be set up for a dependent without being set up on the employee's health plan record.

When dependent health plan data is being established for the first time, the Copy Employee Plans Indicator on the SZ transaction will allow **all** active health plans already established for the employee to be copied to the dependent's health plan data record. Active health plans are plans without coverage end dates. This function cannot be used if the dependent already has a health plan set up that is on the employee's health plan record.

Dependent health plan information can be established in batch or on online Screen 730 or realtime screens 243 and 240. Both online and realtime screens have the ability to copy all or select plans from the employee's health plan record to the dependent's health plan record.

More than one plan ID can be set up for a dependent. However, a coverage end date must be found for the prior plan with the same plan ID, and the coverage begin date for the new plan with the same plan ID must be after the coverage end date of the previous plan.

For specific transaction requirements, see the *Transactions Descriptions* guide, and for screen processing requirements, see the *Screen Reference Guide*.

Maintaining Health Care Data and Supplemental Addresses

HRMS Tables File Information

Translation fields (Code Descriptions) on theTS1-001 through TS1-005 transactions can be reset to blank or changed. Translation Code fields can be added and deleted from the HRMS Tables File but not changed.

Plan Identifier fields cannot be reset or changed. To change a plan identifier, the incorrect plan ID must be deleted and the new one added. See the TS1-001 through TS1-005 and TS2-001 through TS2-003 transactions in the Payroll chapter of the *Transactions Descriptions* guide for specific transaction requirements and the *Screen Reference Guide* for screen processing requirements.

Supplemental Address Information

Supplemental address information can be changed in batch or on online screen 731 or realtime screens 241 and 242. All Supplemental Address fields except the address ID can be changed. To change an address identifier, the incorrect address ID must be deleted and a new address ID added to the Employee Master File.

An address identifier can be deleted in batch or on online Screen 731 only. An SF transaction processed to delete an address ID will delete **all** supplemental address data for the address ID. The SG transaction cannot be processed to delete partial address information.

For specific transaction requirements, see the SF and SG transactions in the *Transactions Descriptions* guide, and for screen processing requirements, see the *Screen Reference Guide*.

Employee Health Plan Information

Employee health plan information can be changed in batch or on online Screen 726 or realtime screens 245 and 246. The coverage end date cannot be reset. If the Employee Master File is updated with an incorrect coverage end date, the health plan should be deleted and added again for the employee. The coverage end date must be on or after the coverage begin date.

Employee health plan information can be deleted only on online Screen 728 or in batch.

For specific transaction requirements, see the SV transaction in the *Transactions Descriptions* guide, and for screen processing requirements, see the *Screen Reference Guide*.

Dependent Personal Data

Dependent SSN/SIN can be changed in batch or on online Screen 729 or realtime screens 235 and 237. In batch, the DW transaction can be used to change a dependent SSN/SIN and the SW transaction should be used to change all other dependent personal data. A dependent and all related personal data will be removed from the Employee Master File

- When an old SSN/SIN is entered on online Screen 729 without a new SSN/SIN and a maintenance code of **D** is used
- Or when a batch DW transaction is processed with an old SSN/SIN left blank and a maintenance code of **D** is used.

Dependents and related personal data cannot be deleted from the Employee Master File in realtime processing. Realtime Screen 237 cannot be accessed directly and is not shown on the Realtime Menu screens. Screen 237 is accessed from realtime Screen 235 to confirm a change in SSN/SIN for a dependent.

All other dependent personal data can be changed in batch using the SW transaction or using online Screen 279 or realtime screens 235 and 236.

User alphanumeric fields, user date fields, and user numeric fields cannot be deleted from the Employee Master File. These fields can be reset to blank by processing the SX or SY transactions or both with maintenance codes **A** or **C**.

For specific transaction requirements, see the DW, SW, SX, and SY transactions in the *Transaction Descriptions* guide, and for screen processing requirements, see the *Screen Reference Guide*.

Dependent Health Plan Data

Dependent health plan data can be changed in batch or on online Screen 730 or realtime Screen 240. The coverage end date cannot be reset. If the Employee Master File is updated with an incorrect coverage end date, the health plan should be deleted and added again for the dependent. The coverage end date must be on or after coverage begin date.

Dependent health plan information can be deleted only on online Screen 730 or in batch.

5 External Pay Processing

Chapter Contents

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Recording Manual Checks, Prepays, and Reversals

This chapter describes the process of recording payroll information from checks issued outside the system.

The adjustment process allows you to change any of the payroll accumulators in the Employee Master File for an employee's current, month-to-date, quarter-to-date, and year-to-date totals.

You can adjust the following accumulators:

- Regular and overtime gross pay
- DOE gross earnings
- DOE total deductions
- Net pay
- All applicable federal, state (or province), county, and city wage and tax accumulators
- Regular and special hours accumulators

- Times paid
- Weeks worked

Note: The times paid and weeks worked accumulators are not used by the system; however, they can provide useful statistical information for producing Information Expert reports.

Definitions

Some terms used in this discussion are defined in this table.

Term	Description
Gross Pay	Sum of regular pay, overtime pay, and other earnings DOEs
Total deductions	Sum of voluntary or DOE deductions, excluding taxes and banking services deductions
Net Pay	Net amount of the check
Prepay Check Number	Check number assigned to the manual check
DOE Adjustments	Total earnings or deductions or both recorded on the YA transactions and the breakdown into individual DOEs entered on the YD transaction that make up the total shown on the YA.
Adjustment indicators	Four fields on each of the YA-YN transactions which describe the type of entry each transaction is for. The following examples show frequently used codes. For a complete list, see the YA-YN transactions in the *Transactions Descriptions* guide. Country code - Must be **C** to identify Canadian transactions. Separator code (**P-U**) - Separates up to six manual checks per pay cycle. **P** indicates the first check, **Q** the second, and so on. Separator code (**V-Z**) - Separates up to 5 checks being reversed per pay cycle. **V** indicates the first reversal, **W** the second, and so on. Update code (**M**, **Q**, or **Y**) - Indicates whether to adjust month-to-date, quarter-to-date, or year-to-date accumulators, or any combination of the three. Adjustment code (**P**, **A**, **M**, **R**, or **S**) - Indicates whether this is a manual check (P), a positive adjustment (A), a negative adjustment (M), or a reversal to back out a voided check (R for a positive reversal or S for a negative reversal).

(continued)

Term	Description
Social Security, Medicare, MQGE	Wages and taxes for these programs are recorded separately to allow for employees who are covered by one or more of these programs. The YM transaction is used to adjust Medicare Qualified Government Employment (MQGE) program participants. Social Security and Medicare wages and taxes are adjusted on the YN transaction with a blank in Social Security/Medicare code. Medicare taxes and taxable wages are adjusted on the YN transaction with * in position 77/117.

Transaction Summary

This table shows the transactions you use to process adjustments. The related screens are 45 and 46 for the U.S. and 30 and 31 for Canada.

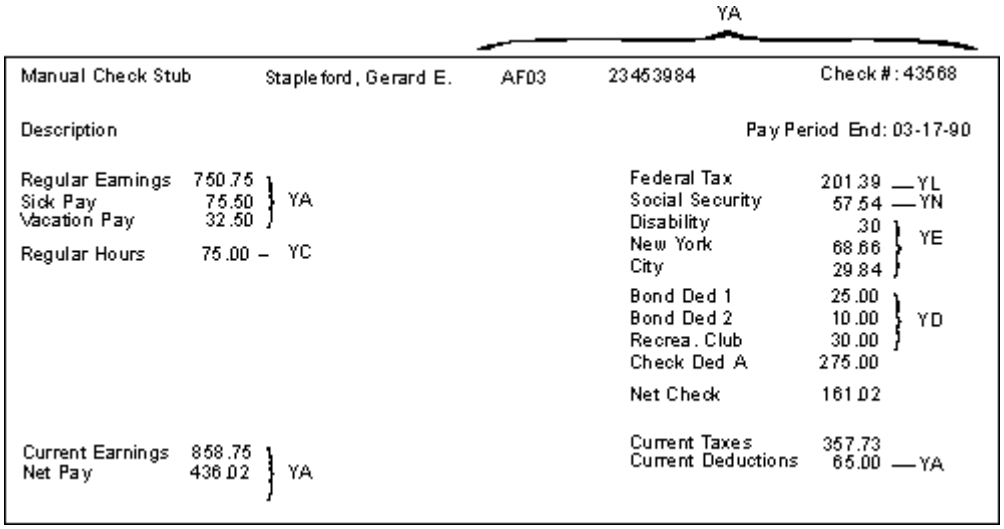
Transaction	Function
YA	Add information for manual checks or reverse information for voided checks: ▪ Gross-to-net amounts **U.S. and Canada**
YB	Adjust total deductions, net pay, weeks worked, times paid, federal taxable wages, CPP, QPP, QPIP, and EI wages. **Canada only**
YC	Adjust regular, overtime, vacation, sick and special hours **U.S. and Canada**
YD	Adjusts DOE accumulators, DOE arrears balances, DOE limits, tip/tip credit amounts, and bond purchases accumulators. **U.S. and Canada**
YE	Adjusts U.S. state, county, city taxable wages and tax. For states only, adjusts SUI taxable and total wages, SDI tax, and employee SUI tax, overtime and premium wages, and weeks worked. For Canadian organizations, adjusts federal and provincial taxable wages and tax, CPP, QPP, QPIP, and EI total wages and tax.
YF	Adjusts SALTA other amount, Tax Segment DOEs, T4A Federal and Relevé 2 Provincial tax accumulators, Quebec Medicare, and vacation accumulators. **U.S. and Canada**

(continued)

Transaction	Function
YG	Adjusts EI or QPIP pay period accumulators, or both, and allows deletion of EI or QPIP pay periods.
YL	Adjusts federal wage and tax and FUI wage and tax accumulators **U.S. only**
YM	Adjusts Medicare Qualified Government Employment (MQGE) wage and tax accumulators. **U.S. only**
YN	Adjusts Social Security/Medicare wages, tax, tip, tip credit. Leave position 77 blank to adjust Social Security and Medicare combined total wages, tip, tip credit accumulators, Social Security taxable wages, tax, and uncollected tax on tips accumulators. Enter * in position 77 on a second YN transaction to adjust Medicare taxable wage, tax, and uncollected tax on tips accumulators. **U.S. only**

Record a Manual Check - U.S.

The following discussion covers the entries required to add payroll information from a manually issued check to the Employee Master File records. A discussion of the entries for Canadian organizations follows the complete discussion of U.S. entries.



Adjust Gross-to-Net

Complete the fields on a YA transaction as follows:

Field	Description
Gross Earnings	Gross regular pay, gross overtime pay, gross total other earnings DOEs. (Individual other earnings are specified on the YD transaction.)
Gross Deductions	Sum of voluntary or DOE deductions excluding taxes and banking services deductions. (Individual deductions are specified on the YD transaction.)
Net Pay	Net amount of pay. Remember to include the banking services deduction amounts in net pay.
Prepay Check #	Check number assigned to the manual check you issued. This number must be numeric and should be distinct from other manual check numbers entered for this employee during the current pay cycle.
Times Paid	Number of pay cycles this check covers.
Weeks Worked	Number of weeks worked this check covers.
Separator Code	Record more than one manual check. Use this field to indicate that multiple checks are to be recorded separately in the employee's record.
Update Code	Indicates whether this check is to update month-to-date, quarter-to-date, or year-to-date accumulators. **Warning:** The system does not carry the prior month-to-date figures. If the check you are recording applies to a prior month, you should not choose month-to-date for the check. The month-to-date you would update is the current month. The same is true for prior quarter-to-date and year-to-date figures.
Adjustment Code	Enter **P** to indicate this is a manual check.

Adjust Hours

To record hours statistics from a manual check, enter a YC transaction. You can adjust regular, overtime, vacation and sick hours, as well as any of the 90 special hours on this transaction.

If needed, you can enter up to four separate YC transactions to cover all 94 possible hours accumulators. The hours do not have to be entered in any special order. For detailed descriptions of the hours codes to use, see the YC transaction in the *Transaction Descriptions* guide.

If you track vacation and sick hours available through the Personnel side of the system, you need to remember to decrease the amounts in the vacation and sick hours available fields using Screen 84 by the same amounts you record as used on the YC transaction in Payroll.

Adjust Individual DOEs/Bond Accounts

To update individual DOE accumulators or bond account balance and purchases to date or both, enter the information for the manual check on a YD transaction. Be sure the individual DOE amounts equal the sum you entered on the YA transactions.

When bond DOE balances are adjusted by a YD transaction, the system determines if the adjustment is for a manual check. If it is, the adjustment amount is automatically applied to the appropriate bond account ending balance. This assumes that a bond account is cross-referenced to the DOE being adjusted.

If the transaction is not a manual check, no such adjustment to a cross-referenced bond account occurs. You will need to determine manually whether the DOE is cross-referenced to a bond account. If across-reference is found, determine whether the bond account ending balance requires the same adjustment applied to the bond DOE balance on the YD transaction. If no cross-reference is found, no action is required. If adjustment is required, the bond account ending balance must be adjusted, use the current balance field on an RE transaction or the END BAL field on Screen 43 or 39.

The beginning balance field on the Master File cannot be added to or subtracted from. It can only be replaced. You will need to add the amount of the deduction adjustment manually to the bond account ending balance and enter that sum in the current field on the RE or in the BEG BAL field on Screen 43 or 39. If this makes the balance large enough to buy a bond, the system will handle the bond purchase the next time the employee is paid and a bond deduction is taken.

The YD transaction is the only available means of adjusting a bond account purchases-to-date field. You can enter a YD transaction with bond purchases-to-date information as the only item you need to adjust. Both DOE adjustments and bond purchase adjustments use the same adjustment control codes, but the adjustments are processed independently of each other.

Adjust Tax Accumulators

Enter one YE transaction for each state, county, or city you applied taxes for on the manual check you are recording. An entry to record SUI information affects two accumulators: SUI Wages to State Limit and SUI Total Wages.

Federal and FUI tax information is entered on a YL transaction. An entry to record FUI information, affects FUI Wages to the Limit, FUI Taxable Wages to the Limit by state in the state SALTA record, and FUI Total Wages.

Adjust MQGE

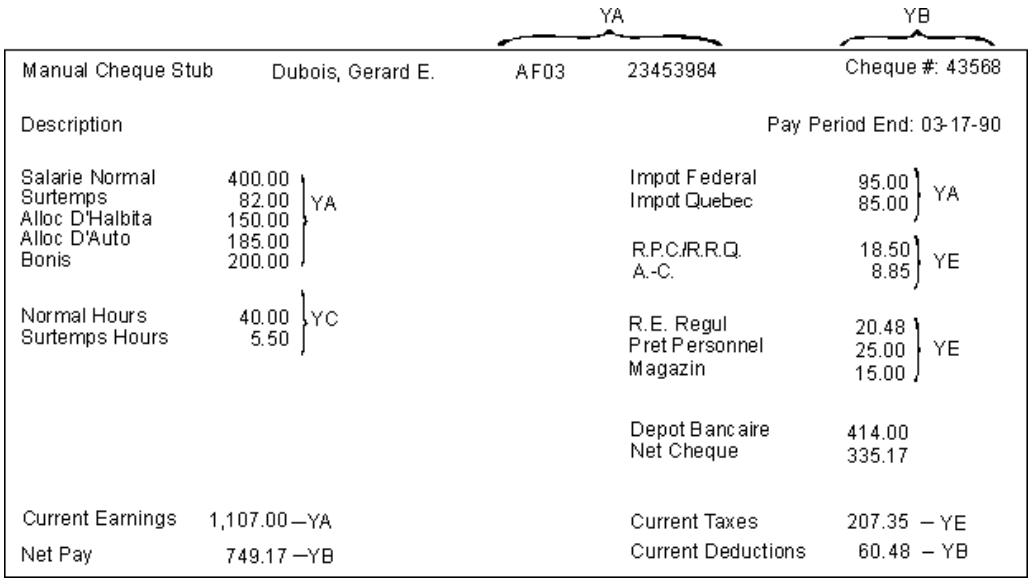
To record Medicare Qualified Government Employment wages and tax information, enter a YM transaction. This information can include Employee MQGE Wages and Tax, Employer MQGE Wages and Tax, Employee Reported MQGE Tips and Uncollected Tax on Tips, and Employer MQGE Tip Credit amounts.

Adjust Social Security Medicare

To record combined Social Security/Medicare Wages and Social Security and Medicare Taxes, enter **YN** transactions. Combined wages and Social Security taxes are entered on a YN transaction with the Social Security/Medicare code blank. Medicare taxes are entered with * in the Social Security/Medicare code. The combined wage entry will update both Social Security and Medicare taxable wages as needed.

Record a Manual Cheque - Canada

The following discussion covers the entries required to add payroll information from a manually issued cheque to the Employee Master File records for Canadian organizations.



Adjust Gross

Complete the fields on a YA transaction as follows:

Field	Description
Gross Earnings	Gross regular pay, gross overtime pay, gross total other earnings DOEs
Federal Tax	Federal tax amount you deducted on the manual cheque
Canada Pension Plan or QPIP	Tax deducted for CPP or QPIP
EI	Deduction you took for Employment Insurance contribution
Provincial Tax	Taxes deducted for the province
Quebec Pension Plan	Tax deducted for QPP
Country Code	This entry must be **C** to indicate a Canadian transaction.

(continued)

Field	Description
Separator Code	Records more than one manual cheque. Use this field to indicate that multiple cheques are to be recorded separately in the employee's record. For more information about codes to use in this field, see the Canadian YC transaction in the *Transaction Descriptions* guide.
Update Code	Indicates whether this cheque is to update month-to-date, quarter-to-date, or year-to-date accumulators. **Warning:** The system does not carry the prior month-to-date figures. If the cheque you are recording applies to a **prior** month, you should not choose month-to-date for the cheque. The month-to-date you would update is the current month. The same is true for prior quarter-to-date and year-to-date figures.
Adjustment Code	Because this is a manual cheque, enter **P** to indicate that to the system.

Adjust Deductions/ Net

Complete the following fields on a YB transaction:

Term	Description
Gross Deductions	Sum of voluntary or DOE deductions excluding taxes and banking services deductions. (Individual deductions are specified on the YD transaction.)
Net Pay	Net amount of pay. Remember to include the banking services deduction amounts in net pay.
Prepay Cheque #	Cheque number assigned to the manual cheque you issued. This number must be numeric and should be distinct from other manual cheque numbers entered for this employee during the current pay cycle.
Times Paid	Number of pay cycles this cheque covers.
Taxable Wages	Amounts from your cheque for federal taxable wages, Canada Pension Plan wages, Quebec Pension Plan wages, and EI/QPIP total wages.

Adjust Hours

To record hours statistics from a manual cheque, enter a YC transaction. You can adjust regular, overtime, vacation and sick hours, as well as any of the 90 special hours on this transaction.

If needed, you can enter up to four separate YC transactions to cover all 94 possible hours accumulators. The hours do not have to be entered in any special order. For detailed descriptions of the hours codes to use, See the YC transaction in the *Transaction Descriptions* guide.

Adjust Tax Segments

Enter a YD transaction to adjust Tax Segment information.

TA, T4A, Relevé 1, Relevé 2 Segments

The province code you enter on the YD transaction is used to determine the fourth and fifth digit of the SCC code. It will specify the segments to adjust. If you leave the province code blank, the province identified in the employee's 203 segment is used by default.

If you are adjusting T4, T4A Tax Segments, the EI rate code you enter on the YD transaction is used to determine the third digit of the SCC code. If you leave the EI code blank, the value is assumed to be the EI rate code from the employee's 203 segment. If the EI rate code is not valid, the entire transaction is rejected.

YD transactions can affect the DOEs that reside on the tax segments. For a detailed explanation, see Tax Segment DOE Maintenance in the Canadian Requirements chapter of the *Regulatory Reporting Guide*.

Adjust Tax Accumulators

Enter a **YE** transaction to adjust tax accumulators for the T4 and Relevé1.

Field	Description
T4, Relevé 1 Accumulators	The information in these accumulators prints on the T4 or Relevé1 forms and reports. One T4 accumulator is available for each province and EI rate code an employee is taxed in. A single Relevé 1 accumulator is available only if an employee was taxed in Quebec.
Total Gross	Appears as the total earnings on the T4 or Relevé 1.
Income Tax	Appears as the tax field on the T4 or Relevé 1.
Tax Segment Code	The tax segment's SCC code constructed from information; in the Employee Master File 203 segment or entered on the YD, YE, or YF transactions is used to scan 20 tax segments for a match. If no match is found, a new tax segment is established for the tax segment type and SCC code used in the scan. If 20 tax segments are already defined, the YD, YE, or YF transaction is rejected with this message: **NO ROOM IN TAX SEGMENT TABLE.**
Canada Pension Plan Tax	Used only for T4 reporting and is the amount of the CPP deductions that appears on the T4. Be careful that you do not adjust this field in excess of the limit.
Quebec Pension Plan Tax	Used only for T4 and Relevé 1 reporting and is the amount of the QPP deductions that is reported on the T4 or Relevé 1. Be careful that you do not adjust this field in excess of the limit.

(continued)

Field	Description
EI/QPIP Contributions	Used only for T4 and Relevé 1 reporting and is the amount of the EI/QPIP deduction that is reported on the T4 or Relevé 1. Be careful that you do not adjust this field in excess of the limit.
EI Total Wages	Used only for T4 and Relevé 1 reporting and is the amount of the EI wages that is reported on the T4 or Relevé 1.
CPP/QPP Wages	Used only for T4 and Relevé 1 reporting, and the report is determined by the province code. The amount of this adjustment cannot exceed the sum of the CPP taxable wages and QPP taxable wages from all the YB transactions entered for this employee in this cycle. This limitation prevents CPP/QPP taxable wages from exceeding the combined CPP/QPP taxable wages maximum limit.

Adjust EI/QPIP Pay Period Accumulators

Enter a YG transaction to adjust or delete EI/QPIP pay period accumulators.

Term	Description
Pay Period End Date	YYMMDD - The period end date to which the insurable earnings and hours apply.
Total EI or QPIP Wages	Insurable wages for the period indicated.
Total EI or QPIP Hours	Insurable hours for the period indicated.

Void a Check

You record information from a voided check using the same transactions you used to record a manual check. Note the following differences:

Term	Description
Adjustment Indicators	The Adjustment Code field of the YA-YN transactions needs to reflect whether this is a reversal or a negative adjustment. For possible codes, see the YA-YN transactions in the *Transaction Descriptions* guide.
Check Number	Check number for a voided check is not needed. No automatic entry will be generated to the Check Reconciliation feature.
Canadian Users	All limits for Canadian CPP, QPP, QM, and QPIP must be handled the same as on manual cheques.

Balancing Adjustments

The following table describes the information entered on YA-YN transactions that should balance. If an out-of-balance condition occurs, warning messages will be shown with each set of adjustment transactions on the Transaction Validation report.

U.S. Adjustments

This data	Should Equal	Unless
Total gross minus Employee MQGE/Social Security/Medicare nontaxable earnings and excludable deductions	Sum of YM and YN MQGE/Social Security/Medicare wages	YM and YN wages are zero and the indicator shows the employee is not subject to any of these programs.
Total gross minus Employer MQGE/Social Security/Medicare nontaxable earnings and excludable deductions	Sum of YM and YN MQGE/Social Security/Medicare wages	YM and YN wages are zero and the indicator shows the employee is not subject to any of these programs.
Total gross minus FUI nontaxable earnings and excludable deductions	YL FUI wages	YL FUI wages are zero and the indicator shows the employee is not subject to FUI.
Total gross minus SUI nontaxable earnings and excludable deductions	Sum of YE SUI wages	YE SUI wages are zero and the indicator shows the employee is not subject to SUI.
Total gross minus state nontaxable earnings and excludable deductions	Sum of YE state gross wages	YE state gross wages are zero and the state tax method on the Employee Master File indicates that the employee is not subject to state withholding.
YA overtime gross	Sum of YE overtime gross	
Total gross minus local nontaxable earnings and excludable deductions	YE county total gross	The employee is not subject to county tax.
Total gross minus local nontaxable earnings and excludable deductions	YE city total gross	The employee is not subject to city tax.
Total gross minus federal nontaxable earnings and excludable deductions	YL federal taxable wages	YL federal taxable wages is zero and the Employee Master File federal tax method indicates that the employee is not subject to federal withholding.

Canadian Adjustments

This data	Should equal
If YF T4A/Relevé 2 federal tax is entered	YA federal tax
If YF T4A/Relevé 2 federal tax is not entered, the YE federal total tax	YA federal tax
If YF T4A/Relevé 2 provincial tax is entered	YA provincial tax
If YF T4A/Relevé 2 provincial tax is not entered, the YE provincial total tax	YA provincial tax
YE federal CPP tax	YA CPP tax
YE provincial CPP tax	YA CPP tax
YE QPIP tax	YA QPIP tax
YE federal QPP tax	YA QPP tax
YE provincial QPP tax	YA QPP tax
YE federal EI tax	YA EI tax
YE provincial EI tax	YE federal EI tax
YE CPP/QPP wages	YB CPP taxable wages plus YB QPP taxable wages
YE federal EI wages	YB EI wages
YE provincial EI wages	YB EI wages
YG QPIP wages	YB QPIP wages

Online Check Calculation and Payment History

The Online Check Calculation and Payment History menu screen offers two payment related functions.

The first is online check calculation where pay data can be entered for immediate calculation with the options of printing the check or checks or generating adjustment transactions to update the Employee Master File accumulators, or both.

The second is the payment history inquiry function where a user can view prior employee payment data online. Prior payments on the Check Reversal Master File are presented for an employee. A payment is selected and details are presented. For more information, see the Payment History section in the Managing Pay Information chapter of this guide.

Online Check Calculation allows you to calculate gross-to-net payroll activity to provide immediate results without waiting for a scheduled payroll run. You enter earnings and deduction information, calculate the gross-to-net amount, and view the check output on the terminal. You can then print the check or generate adjustments to apply to your Employee Master File in the next payroll Compute cycle, or both.

The Online Check Calculation process uses six realtime screens, an Online Check Calculation (OCC) Compute program, and an I.E. report series.

These are the Online Check Calculation and Employee Payment History Inquiry screens used:

Screen	Function
500	Online Check Calculation and Payment History Menu
Online Check Calculation	
501	Gross Pay Information
502	Deductions/Other Earnings Information (U.S.)
503	Deductions/Other Earnings Information (Canada)
504	Online Function Status
505	Online Check Status
Employee Payment History Inquiry of Check Reversal	
506	Employee Payment Selection
507	Employee Payment Earnings and Hours
508	Employee Payment Taxes and Deductions

How to Access OCC

To access the Online Check Calculation function, follow these steps:

1. Select Screen 100 - Realtime Update Menu
2. Select Screen 500 - Online Check Calculation and Payment History Menu
3. Select Screen 504 to check the function status and use the following table:

If you want to...	Then...	And go to...
Enter pay data	Inquiry/Update	Screen 501.
Calculate the gross-to-net amount and produce IE reports	Compute	I.E.
Print checks or generate adjustments	Inquiry/Update	Screen 505.

Entering Pay Data Screen 501

Screen 501 displays the following Employee Master File data for the employee selected:

- Employee name and address
- Pay frequency
- Pay code
- Work and resident states (U.S. employees only)
- Shift code

Entry Rules

- You must enter any pay data you want calculated. Automatic pay will not be processed.
- You must enter hours worked with the salary amount, if you want hours reported with a salary amount on the check.
- You must enter data in at least one gross pay line to process a selected employee.
- You cannot enter rate codes stored in the HRMS Tables File in the Hourly Rate field of the gross pay lines.
- You cannot activate any of the special gross pay calculations provided by the ZV transaction.
- Asterisk (*) is the only overtime code you can enter on a gross pay line with both hours worked and salary amount.
- You cannot enter an asterisk overtime code with hours worked and hourly rate.
- You can enter negative pay if the same tax processing category has enough positive pay to result in a net positive pay amount.
- You cannot pay only negative wage amounts.

Process Rules

- Weeks worked is not used to prorate tax calculations.
- Automatic Pay is not activated.

Entering Gross Pay Data

Seven lines are provided for gross pay data entry. Each line can contain regular pay information, overtime pay information, or pay information that is updated in an Other earning. Each line is processed as a ZT/R1 transaction.

Required Fields

For each line you **must enter** one of these combinations:

- Hours worked
- Hours worked and hourly rate
- Hours worked and salary amount
- Salary amount

Optional Fields

For each line you can enter values in these fields:

- Overtime Code
- DOE Code
- Hours Code
- Shift Code
- Shift DOE Code
- Weeks Worked
- EI/QPIP Pay Period Number (Canadian employees only)
- Negative Pay Indicator

Defaults

These defaults apply on the gross pay line:

- If hours worked are entered and hourly rate and salary are not entered, the process
  - **defaults to:** Normal hourly rate from the Employee Master File.
- If the shift code is not entered, the process
  - **defaults to:** Normal shift code from the Employee Master File.

Entering Work State Data

You can enter work state information for the selected employee if that information is different from the normal work state information in the Employee Master File.

Required Fields

For each employee you **must enter** values in these fields:

- Pay Period End Date
- Check Date

Optional Fields

For each employee you can enter values in the following field:

- Pay Period Begin Date

Procedure

Use the following procedure to enter work state information.

If…	Then…
Payment is taxed in a work state other than the normal work state	Enter the appropriate work state.
You enter multiple checks with different work states	The number of checks containing new work states plus the number of SALTAs already set up for an employee **must not exceed the SALTA maximum**. **Note:** If you exceed the SALTA maximum, the data entry will be validated using defined SALTAs and will be accepted, but **OCC Compute will fail**.

When you have completed Screen 501

After all gross pay data for the selected employee is entered, press **Enter** and proceed to Screen 502 for U.S. employees or Screen 503 for Canadian employees.

Entering DOE Data Screens 502 or 503

Screen 502 (U.S.), or 503 (Canada), displays the following information:

Employee Name

For each DOE for the selected employee:

- DOE code
- DOE description - on Screen 503, both English and French descriptions are displayed
- Earning/Deduction indicator
- Organization DOE type code
- Limit amount
- Arrears balance

Entry Rules

- You must enter DOE data. No DOEs are processed automatically.
- You must enter the actual amount of the DOE to process. DOE amounts are not calculated.
- You can select a maximum of 15 DOEs for each check for each selected employee.
- You cannot select Bank Service DOEs
- Deductions can be negative only.

Procedure

Use this table to enter DOE information:

If you want to…	Then…
Select a DOE for processing	**For a deduction** - Enter the amount to deduct or refund. **For earnings** - Enter the amount to pay, positive amounts only. **Note:** If you are refunding a deduction, you **must** enter the Negative Indicator (#).
Activate Arrears only	Enter zeros in the amount for that DOE. **Note:** Each DOE is processed as an RK (one-time override) transaction.

(continued)

If you want to…	Then…
Scroll forward through an employee's DOEs	Press **Enter**. **Note**: The DOEs are seen on the screen only once. You must select the DOEs as they appear. If you miss a DOE, type **END** in the Action field to return to Screen 500.

When you have completed Screen 502 or 503

After you select the DOEs to process, enter **Y** in the Selection Completed field and press **Enter**. If no DOEs are selected, you must still enter **Y** in the Selection Completed field to continue processing.

The system returns to Screen 501 and displays a message indicating that check data has been updated for the selected employee.

Repeat the Steps

You can repeat the steps for using Screen 501 and 502 or 503 as often as you need to process

- Multiple checks for one employee (limit of six).
- As many employees as needed.

Each time you enter a level 1-level 2 or an employee or both press **Enter** to retrieve the new employee's information from the Employee Master File.

When you have completed Screen 501and 502 or 503

When you have completed entry of gross pay and DOE data, go to Screen 504 to continue processing.

Calculate Gross-to-Net Process

Using I.E., you can submit a job to calculate gross-to-net payroll activity and produce a report showing the results.

The gross-to-net calculations are done using OCC Compute. The most recent check information entered will be calculated and reported in the I.E. report series.

OCC Compute processes negative pay amounts the same way Central System Compute does. The tax processing category must have positive pay in it to result in a positive pay amount, or the check will be voided. A Negative Pay Error report will be produced using the Compute Activity Report file. Tax processing categories are regular pay/tax, supplemental pay/tax, and accumulate but don't tax.

Resubmission Consideration

If an OCC Compute job is submitted again without entering more check information, no checks will be calculated or reported in the I.E. report series.

Selecting Process Modes Screen 504

Screen 504 allows you to check Online Function Status and select the processing feature you want to use.

Entry Rules

- Only one operator at a time can select **Compute**.

  (If another operator selected Compute, but the screen shows it has been more than the specified time limit, the system resets the other operator to inactive and allows the current operator to select Compute. For information about changing the Compute time limit, see the *Technical Guide*).

- When you select the appropriate process, you must press **Enter** before you change Next Screen or go to I.E.

Selecting Levels of Control

You can select specific level 1 - level 2s (up to 15) for Compute to process. Only the selected level 1-level 2s will be processed. If you specify **L1****, all level 2s within that level 1 will be processed. If no levels are entered, all level 1-level 2s will be processed.

Selecting the Process Mode

Use the following table to select the processing mode on Screen 504.

Step	Action
Enter pay data	Select Inquiry/Update and go to Screen 501.
Process previously calculated checks	Select Inquiry/Update and go to Screen 505.
Calculate gross-to-net or view the results	Select Compute and transfer to I.E.
Transfer to IE	Enter **.IE** in the Action field or access I.E. from the Main Menu

Submitting the I.E. Job

Use the following procedure to submit the job to I.E. for processing.

Step	Action
1	Select JSAP (Job Submission Application Job List) from the I.E. Primary Option Menu.
2	Select HR ONLINE CHECK CALCULATION.
3	Enter RVLS (Report Viewing List) in the Action field.
4	Select HR-PRINT-CHECK-REPORT to view the report.

What If OCC Compute Fails?

If OCC Compute does not run successfully, all checks might not be processed. To view the processed checks:

Step	Action
1	Select JSRU (Job Submission Run) from the I.E. Primary Option Menu.
2	Enter **S** next to HR-PRINT-CHECK-REPORT to execute the report series for the checks calculated before the failure.

Repeat step 3 and 4 in the submitting the I.E. job procedure to view the checks. Print the report series to get a hard copy. To calculate and review the remaining checks, complete steps 1 through 4 in the submitting the I.E. job procedure. All checks will be available for processing on Screen 505.

What If the I.E. Job Fails?

If the I.E. step does not run successfully, the report series for the checks processed in OCC Compute will not be added. You must select JSRU (Job Submission Run) and run HR-PRINT-CHECK-REPORT. To view the reports, you must check your operating system batch job queue.

Viewing the I.E. Report

The report produced by I.E. is designed to perform the following tasks:

- Produce two pages of information for each check
  - Check format
  - Earnings statement
- Display each page on a separate screen
- Report level 2 totals on a separate page.

Terminating the I.E. Session

After reviewing the results of all the calculations, you must terminate the I.E. session to return to the Realtime system. If you want a hard copy of the I.E. report, you must print the report series.

Processing Checks Screen 505

Screen 505 displays the following data for each check:

- Level 1
- Level 2
- Employee number
- Check amount
- Check date
- Run date
- Status
- Process option
- Prepay code
- Check number
- Effective date
- Operator ID

Security for Screen 505

Screen 505 displays only the information for the level 1 - level 2s the operator is allowed to process.

Information You Can Enter

To process a check, the following information can be entered:

- Starting check number
- Printer ID (see the *Technical Guide* for default information)
- Check format
- Number of alignment forms
- Process option
- Prepay code
- Check number
- Effective date

Process Options

These process options can be selected on Screen 505:

Option	Result
V	Rejects a calculation
G	Generates adjustment transactions only
P	Generates adjustment transactions and prints the check
R	Reprints a check
blank	No processing

Process Option Results

After you select a process option for each check, it will remain until the check is processed. After all the selected checks are processed, the Status field will be updated with the process option and the Process field will be reset.

If You Chose Process Option P

Enter the following information:

Required

- Starting check number

Optional

- Check format (supported formats are 3C and 4C)
- Printer ID (see the *Technical Guide* for default)
- Number of alignment forms (default is 5)
- Prepay code (P-U)
- Effective date for the adjustment transactions

If You Chose Process Option G

Enter the following information:

Required

- Zeros in Starting Check Number field
- Valid check number for the check you typed manually

Optional

- Prepay code (P-U)
- Effective date for the adjustment transactions

Viewing Checks

Screen 505 allows you to scroll forward and backward through all the checks you are allowed to view. The process options you entered will appear on the screen. After you have selected the process option for all the appropriate checks, enter **Y** in the PERFORM PROCESSING field and press **Enter**. The system will print the checks you have entered a process option for.

When Processing Is Complete,

Press **Enter** to return to Screen 500.

To review the status of each check, return to Screen 505. The Status field reflects the process option you chose. The Check Number field displays the following information:

If...	Then...
P, Print	System assigned check number.
G, Generate Adjustment Transactions Only	Check number you entered.

Reprinting Checks

If a printed check is damaged or lost, you can use the reprint feature to replace it.

If a printer error message appears on the screen, the Status field will show updated information, **but checks are not processed**. You must reprint the checks.

To reprint a check, enter **R** in the Process field and follow the steps previously listed for the Print option. Adjustment transactions generated by the Print option will be voided so that they will reject in Validate and new adjustment transactions will be created with the new check number.

Warning: If the adjustment transactions from the original print process have already been released and updated the Employee Master File, the reprint will create duplicate transactions that can cause the master file to be updated twice. To avoid duplicate updating, purge the Check Detail File after each Release-for-Processing.

Printing Checks for Multiple Users

Although multiple users can **select** checks for processing at the same time, only one user can **perform** processing at one time.

When an operator enters **Y** in the Perform Processing field, all other users are locked out of printing checks and will receive the following message:

PRT FUNCTION IN USE BY XXXX SINCE HH:MM

The print function is unlocked after completion of printing checks or after the specified time limit has expired since the print function was last used. For information about changing the time limit, see the *Technical Guide*.

Using the Check Limit Feature

When checks are printed, if the defined check limit for your shop is exceeded, the system will process the checks up to the limit and return to Screen 505 with all data fields protected. A message will appear indicating that more checks are available for processing. Press **Enter** to continue processing the remaining checks.

If more checks need to be printed or if any check data needs to be changed before printing the remaining checks, exit Screen 505 by typing an Action code or entering a screen number in the NEXT SCREEN field. When you return to Screen 505, a message will appear indicating that you have exceeded the limit and that more checks are available for processing. You can change any of the information on the screen and select more checks to process.

Processing Multiple Checks

If the check limit is reached while you are processing multiple checks for an employee, and you exit from Screen 505 before printing the remaining checks, you **must** enter the remaining prepay codes for the employee or the prepay code will start over again with **P**.

Generated Transactions

Adjustment transactions are generated automatically for printed checks. Adjustment transactions are also generated for check records when you select **G** as the process option. The generated adjustment transactions are written to the Pending Transaction File.

Release-for-Processing

You must **enter an AA** transaction for every level 1-level 2 you will need to process **before** you run Release-for-Processing.

Process the generated transactions as usual through Release-for-Processing (selecting adjustment transactions), Validate, and Compute.

RK Transaction Considerations

If you have created an RK transaction, using Screen 60, select adjustment and maintenance transactions in Release-for-Processing and run Update before Compute.

Crossfoot Errors

When the selected transactions are run through Validate, some crossfoot errors can occur. For example, entering a negative deduction will cause a crossfoot error. When the YD deductions are totaled and compared with the total deductions on the YB transaction, the negative deduction is not included in the totaling because of the way transactions are sorted. **The transactions are updating the proper fields.**

Alignment Check Considerations

Adjustment transactions will not be generated for checks used for alignment purposes. You will be responsible for updating the Check Reconciliation File with these check numbers and the check numbers contained in the adjustment transactions voided by a reprint. A message to remind you to update the Check Reconciliation File will be printed on the alignment checks.

Tax User Exit: Ohio SDIT

If you have activated the Tax User Exit for the Ohio School District Income Tax, important considerations need to be taken into account. For details, see the Ohio School District Income Tax (SDIT) section in the Managing Employee Information chapter of this guide. For technical details, see the *Technical Guide.*

Check Reversal Feature

Overview

The optional check reversal feature is a submodule of the system. It gives users the capability of automatically reversing employee payments previously processed by the Payroll system. Automatic reversals of employee payments are initiated when the user submits reversal requests to the System Check Reversal submodule.

These requests require coding of approximately 30 characters of data related to each employee payment. It results in the automatic generation of as many Y adjustment transactions as required to completely reverse the payments referenced.

General Description

The Check Reversal submodule provides users with the capability of automatically reversing any check, combined check and deposit, full deposit, or prepayment processed by the system. A Check Reversal Master file is established and maintained to support this automatic check reversal feature. After the completion of the Check Reversal Update, the Check Reversal Master file is copied to a random version to be viewed from realtime Screen 500.

As employee payment transactions are processed by the system, check reversal detail records are generated. The records contain all the information required to reverse these payments. These detail records are subsequently used to update the Check Reversal Master file, which provides a constantly updated source of payment reversal data. As required, employee payment reversal transactions (sets of special Y adjustment transactions) can be generated from the Check Reversal Master file.

When these reversal transactions are processed, they cause the system to reverse the previously processed payment actions to which they are related. All employee payment reversals processed by the system are reported within the system reports where appropriate. Each such report reference specifically identifies the transaction reported as a reversal. All system reports that provide summary totals by transaction type report two additional categories of totals: one that summarizes reversal transactions and one that summarizes the net of each employee's current transactions (positive and negative adjustments, prepayments, reversals and current checks).

Basic Submodule Functions

This discussion describes the basic Check Reversal submodule functions.

Function Descriptions

Generate Check Reversal Detail File for Current Payroll Cycle

The Check Reversal submodule must have access to all the detailed data associated with an employee payment before it can be reversed automatically. This requirement is satisfied by the generation of a Check Reversal Detail file as a normal system output of each payroll processing cycle. Detailed data on all current period employee payments and prepayments is maintained on this file for subsequent use by the Check Reversal submodule.

Generation of the Check Reversal Detail file is an optional feature of the system that you control on the AD by entering in **E** in the CHECK REVERSAL field on Screen 311. A blank in this field means that Check Reversal Detail files will not be generated.

Create/Maintain Check Reversal Master File from Current Payroll Cycle Detail

The Check Reversal submodule must have the means of maintaining a history of the detailed payment data. The data is selected by each payroll processing cycle and formatted for use by the submodule as the current Check Reversal Detail file. This requirement is satisfied by the creation and maintenance of a Check Reversal Master file. This file is a constantly updated history of employee payments and prepayments in the form of current and merged prior period Check Reversal Detail records.

The submodule also provides the capability of purging lapsed reversal data from the file by date. A report detailing all file maintenance and purge actions performed on the current Check Reversal Master file is available as a submodule option.

Generate Employee Payment (Check) Reversal Transactions from Check Reversal Master File as required

The Check Reversal submodule must have the ability to generate transaction records automatically from the employee payment data. This data is maintained on the Check Reversal Master file. When processed by the Payroll system, it has the effect of reversing the payments being referenced. This requirement is satisfied by providing the submodule with the capability of producing a set of reversal transactions for each employee payment to reverse.

These transactions are in the form of standard Payroll system Y adjustments. The Y adjustment records produced in this manner have a special adjustment code of either R or S rather than the A, M, and P codes. The R code is assigned to all positive employee payment data items to reverse. The S code is assigned to all negative employee payment data items to reverse.

The generation of Check Reversal transactions by the Check Reversal submodule can be performed when the current Check Reversal Master file is updated with current detail records. It can also be performed at any other time when the generation of such transactions is required for employee payment reversal purposes. In fact, multiple reversal transaction generation runs can be required between payroll processing cycles. This depends on the incidence and frequency of payment reversal requests.

Payment reversal requests are submitted to the submodule in the form of RV generate reverses transactions. One RV transaction is required for each employee payment being reversed. A minimal amount of data is required to request a reversal.

See Generating Reversal Transactions in this guide. This data is readily available from one or more system reports. The Check Reversal submodule provides a summary report providing information about RV generate reverses requests processed and Y adjustment reversal transactions generated. A detailed report of Check Reversal Master file records reversed is also available as a submodule option.

Process Y Adjustment Reversal Transactions as Normal Payroll System Input to Reverse Employee Payments

The check reversal transactions automatically generated by the Check Reversal submodule must be cycled through the system to effect actual reversal of employee payments. This requirement is satisfied by the mass input facility supplied as a feature of the load/validate submodule. This feature provides for the entry of normal system input into the load/validate submodule from two sources. The input can be entered from a mass storage input file magnetic tape or disk instead of the standard low-volume unit record input facility. The sets of Y adjustment reversal transactions are entered into the system as normal input. This is accomplished using the Check Reversal Transaction file as a Mass Input file to the Load/Validate submodule.

The multiple Check Reversal Transaction files can be produced by the Check Reversal submodule during a pay period. This depends on the particular reversal processing that is performed. These multiple transaction files must be merged with any other mass input to the Payroll System. This facilitates timely processing of reversal transactions.

After Y adjustments reversal transactions are entered into the system from the mass input facility, these transactions are processed like all other adjustment transactions. However, because of the reversal adjustment code (R or S), the Employee Master file records created from processing these transactions reflect reversal of the original employee payments referenced. These master file reversal records represent individual reversals of all payment data elements associated with the original payments.

All Payroll system reports about current transaction activity identify and report the reversal action of all reversal adjustment transactions processed by the system. All reports summarizing current transaction activity also report the effect of processing current reversal adjustment transactions in the NET summary category.

Implementing the Check Reversal Feature

Creation or Maintenance of Check Reversal Master File

Checks, deposits, and prepays processed by the system can only be reversed using Check Reversal if check reversal detail records are generated during the system processing cycle. Check reversal detail records are created by the Payroll Report Generator program (PLR100) based on the option set on Screen 311 (AD transaction). See Check Reversal Submodule Reports later in this chapter. These detail records are used to create or update a Check Reversal Master file. The creation and maintenance of the Check Reversal Master file is accomplished through regular execution of the Check Reversal submodule.

The R* control transaction provides the Check Reversal submodule (program P1P45M) with a date for the Check Reversal File Maintenance Update Report and Summary Page of Total Reversals. It also is used to inform the submodule which files are available for input or output during a update/generate cycle.

The R* control transaction should be completed. For valid options and values, see the *Transaction Descriptions* guide. The date that appears on the reports is entered in positions 33-38. If the date is left blank, the system date appears as the date on the reports. If the Check Reversal Master file is available for input, position 39 is blank.

If the master file is not available (such as during the first payroll cycle using the check reversal feature), position 39 contains **N**. Position 40 indicates whether an updated Check Reversal Master file is created. If an updated master file is to be created, as would be the usual situation, leave position 40 blank. If an updated master file is not to be created (such as when only creating reversal transactions from a previously updated master file), enter **N**.

Position 41 indicates whether the Check Reversal Detail File is available for input. If the detail file is available, position 41 is blank. If the detail file is not available, position 41 contains **N**.

If the R* control transaction is not entered, the system date is used, and all files are assumed available or required.

Generating Reversal Transactions through RV Transaction Specifications

The generation of Y adjustment reversal transactions from the Check Reversal Master file to reverse a check, deposit, or prepay is controlled by providing the Check Reversal submodule with an RV transaction. The required information for the RV transaction can be obtained from various payroll reports (such as the check itself, the payroll register, and so on). The information can also be obtained from the Check Reversal File Maintenance Update Report depending on the report print options specified.

Position	Field Name	Field Value
1-2	TRANSACTION CODE	RV
3-6	CONTROL LEVELS	3456
7-16	EMPLOYEE NUMBER	1234567812
17	CONSTANT	0
18-23	CHECK DATE	991122
24-32	CHECK NUMBER	000065432
33	SEPARATOR CODE	V
34	UPDATE CODE	M
35-80	RESERVED	

Enter the check date of the employee payment reversed in positions 18-23. In positions 24-32, enter the number of the check being reversed with leading zeros.

Enter a separator code of **V** through **Z** in position 33. This entry causes multiple reversals for the same employee to be processed separately. Enter the appropriate period update code (can be **M**, **Q**, or **Y**) in position 34. If the RV transaction is not filled out properly, it is rejected. If the transaction is accepted and a match is found in the Check Reversal Master file, adjustment reversal transactions are generated according to the information available from the master file. For acceptable values, see the *Transaction Descriptions* guide.

Special Note

When reversing an employee payment made entirely through bank deposits, enter the deposit advice number in the check number field with leading zeros. This deposit advice number was reported when the deposit was added to the Check Reversal Master file if the List Adds option was selected on the RP control transaction.

Auxiliary Options Available through RP Transaction Specifications

The Check Reversal Master file maintained by the Check Reversal submodule can be purged, according to a specified purge date, by entering an RP control transaction. The RP transaction also contains indicators that specify the particular file maintenance and reversal transaction generation actions printed on the Check Reversal File Maintenance Update Report. For valid values and options, see the *Transaction Descriptions* guide.

The level 1-level 2 to purge is entered in positions 3-6. Two special codes can be used here to simplify coding of level 1-level 2s to purge. If you want to purge all level 2s within a particular level 1, enter the level 1 in positions 3-4 and ** in positions 5-6. If you want to purge all level 1-level 2s on file, enter **** in positions 3-6.

All purging is controlled by the purge date in positions 33-38 and the Delete YTD Payment History and Payment Advice Records option in position 43. When position 43 is blank, all Check Reversal Master file records with a check date on or before the purge date specified are dropped from the file. If positions 33-38 are left blank, zeros are assumed.

Only YTD payment history or payment advice records, or both, can be dropped from the Check Reversal Master file based on the value selected in the Delete YTD Payment History and Payment Advice Records option.

The following instructions refer to list options for the Check Reversal File Maintenance Update Report. Each option specifies information to print when that type of activity is present. Any actions are performed regardless of whether the report is produced. The report provides documentation of the update run based on the information you select to print.

For example, if * is entered in position 39, all records purged from the master file (which include any detail records added in the current run) are printed on the report with a PUR indicator. An * in position 40, prints all detail records added with an ADD indicator. An * entered in position 41, prints **all** records reversed with either an REV indicator (if the record has not previously been reversed), or an RPR indicator (if the record has previously been reversed). An * entered in position 42, prints all Check Reversal Master file records (excluding any detail records added in the current run) with an MST indicator (if no reversal activity) and an RPR indicator (if there is a reversal transaction and the record has previously been reversed).

Check Reversal Submodule Reports

Check Reversal Match Exceptions/Control Totals Report

The Check Reversal Match Exceptions/Control Totals Report details all errors encountered when preparing the Check Reversal Detail file (matching and extracting data from a feeder file, sorting, and so on) for subsequent updating of the Check Reversal Master file. Errors reported include null file conditions, sequence errors, match exceptions, and so on. Most of the errors reported represent conditions that should not occur and operations or system malfunctions that should be researched and corrected.

This report also prints summary control totals for each type of record and for each logical entity (such as check, deposit, or prepay) processed to create the Check Reversal Detail file used to update the master file. Summary control totals are produced for each level 1, level 2 processed and the entire file. These totals can be compared to the control totals reported by the Check Reversal File Maintenance Update Report for audit and control purposes.

Check Reversal File Maintenance Update Report

The Check Reversal File Maintenance Update Report documents all file maintenance and reversal transaction generation activity performed on the Check Reversal Master File by level 1, level 2 according to the options specified on the RP transactions. For any list options specified on the RP transaction, all file maintenance and reversal transaction generation activity performed on records selected to print is reported.

This report also prints any errors encountered during master file update and reversal transaction generation processing, such as sequence errors, invalid or unused control transactions, and file count discrepancies. Most of those errors represent an operations or system malfunction that should be researched and corrected. Finally, summary control totals are produced by this report. For each level 1, level 2, totals are provided of all records and all logical entities (as checks, deposits and prepays) that are read, dropped as duplicates, purged, and written. These same totals are also produced for the entire file. Totals produced by this report can be compared to the related totals produced by the Check Reversal Match Exceptions/Control Totals Report for audit and control purposes.

Reversal Transaction Summary Report

The report produces a summary of the reversal transaction generation processing performed by the Check Reversal submodule according to RV transaction specifications. Totals for all RV generate reversal transactions accepted and rejected by the submodule are provided. Totals for all Y adjustment reversal transactions generated by the submodule are also reported. These totals are broken down by transaction category (as YAs, YBs, and so on) with a total for **all** Y transactions generated also being provided.

This report (or multiple reports if multiple reversal transaction generate runs are made) provides a means of controlling the recycling of Y adjustment reversal transactions through the Payroll system. It can be compared with control totals provided by load/validate reports.

6 Reporting

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System Reports

A number of HCM:E reports are used for processing and audit trail purposes rather than for payroll accounting or personnel purposes. These reports should be reviewed and used for balancing each cycle by the control group designated by the individual organization.

The following reports fall into this system reports category.

The Input Edit Listing

This report is printed by Transaction Load (PLP200). If you request an Input Edit Listing report on an IC transaction, the report displays a 120-position image of all input transactions in the sequence in which they are entered. See all options available on the IC transaction in the *Transaction Descriptions* guide. Also included are a transaction sequence number assigned by the program to the input and any messages associated with the input transaction. The transaction sequence number can be used to identify and alter an input record after it has been entered in subsequent runs of the program. With other reports, the Input Edit Listing also serves as an audit trail before updating the master file.

Totals are listed at the end of this report that indicate the number of transactions for each transaction type. This list is in order by the first two positions (NA, RA, and so on). You can use this information to keep track of certain transactions that should be watched closely. Examples are those transactions that start employees or delete employees, state and local taxing accumulators, and deductions and other earnings (DA, DD, DK transactions). The listing includes a count of records by transaction code that were generated by the system through the AA transaction generator ability or the ZU time transaction, and a total of records rejected by the system.

Transaction Validation Report

This report serves as both an audit trail for transactions input into the system and a master file maintenance control. It contains a message to the far right of the report indicating if individual transactions are rejected, have errors, or appear error free.

The YD adjustments for DOEs can have multiple rejections associated with an individual transaction. Note that the rejection refers to only a single occurrence within the YD.

Totals for ZT and ZV time entry transactions and rejected counts for the input transactions are provided. These should be reviewed again as an audit trail.

To aid in referring to a transaction, a transaction sequence number assigned by the system is included in each printed transaction line. This can be used to refer back to the Input Edit Listing or to correct transactions in the Online system.

Active Employees Not Paid Report

This report provides a list of all active time card-required employees who were not paid during this pay cycle. You can use this list to check your records for employees who might have been inadvertently missed when you submitted your time cards. For more information about this report, see the *Technical Guide*.

File Maintenance Report

Although this report can be suppressed by an organization header option, it is strongly advised that you print this report and keep the report image as an audit trail. This is the only report that shows that file maintenance input was applied to the Employee Master File.

Payroll Compute Activity Report

This report provides a listing of the one-time DOE overrides used by the Compute program during this run and a listing of the adjustment activity. Messages are also printed to identify terminated employees who are automatically deleted this cycle, active time-entry-required employees who are not being paid this cycle, and employees who are not being paid because gross or taxable wages (or both) is negative. The report details and the totals by organization reflect the Compute program activity.

The Payroll Compute Activity report is produced any time the Compute program is run. It contains only organizations that have an AA transaction present. If only AA, time entry, and adjustment transactions are being processed, you can skip the update and run Compute directly after Transaction Validate.

Report File Generator Error Listing

This control report is used to show the number of records generated as input for both the Check Writer and the Payroll Reports File. This should be reviewed in an audit trail for audit trail purposes.

Employee Master File Print

This report can be printed for either the Employee Master File or the Payroll Reporting Detail File. It contains a complete print-out of all the options specified in the organization control header record, followed by all employees in the organization or selected employees, showing every dollar figure in their file along with all of the current status for the employee. It can be requested and used when a question arises about the processing of a specific employee or selected employees. This report can also be imaged for a year-end master for historical purposes. The Employee Master File Print report is produced by the Employee Master Print program (PLR950). The C1 and C2 transactions are used to produce the report.

Balancing the Canadian Employee Master File

The purpose of the Canadian Employee Master Audit program is to aid users in maintaining controls on Canadian organizations on the Employee Master File. To accomplish this, 86 balance tests are performed for each employee in the organization selected for auditing. An audit report is produced listing descriptions and amounts of every out-of-balance condition an employee has.

The audit processing performed by PPR900 is controlled by the AU transaction. Specific level 1 - level 2s can be selected for auditing or all level 2s within a specific level 1 can be audited with the entry of one AU transaction. A report date can be entered on the AU transaction, or the current computer date or the AA run date from the organization header record can be selected as the date that will print on the audit report. AU transactions should be entered in sequence by level 1 - level 2. If an AU transaction is determined to be invalid by the validation process, the transaction is printed with its error message, and processing continues with the next AU transaction. The A* transaction can be entered to override the type of Employee Master File being audited. If an A* transaction is not found, the current master file type is used.

If any of the following special circumstances occur, you might want to produce the Employee Master Print report in addition to the Canadian Employee Master Audit program to properly verify some out-of-balance conditions. Both reports should be produced from the same Employee Master File.

- In comparing T4A amounts to Relevé 2 amounts for employees with the Quebec federal taxing authority, invalid out-of-balance conditions can be flagged if the employee had a different federal taxing authority for part of the year end and, during that time period, received some payments that were reported on the T4A. If this condition occurs, a manual check of the 95 PRINT is recommended to determine the validity of the error condition.
- EI Wages in the 390-393 segments and QPIP Wages in the 395-398 segments (pay period accumulators) are accumulated for the balance year specified. Because it is possible for the first pay period of a year to begin in the previous year, you can alternately specify, on the AU transaction, the period end date with which to begin the balance year accumulation. All periods from that date to the most current entry in the table are added for comparison to the EI total wages and QPIP total wages for the year.
- For employees not paying taxes (for example, summer students) and set up with a tax method of 6, no wages are accumulated by the system as federal taxable wages in the 203 segment. If the employee was set up as 0 (normal tax) before or after being set up as 6 and had accumulated some taxable wages, an out-of-balance condition will occur. There is no way to account for prior tax methods. Therefore, you should check the 95 PRINT manually to determine if the error condition is valid.

- Because parity committee dues are not accumulated in the 300 segment, no balancing is done on these DOE amounts. They are, however, included in DOE deduction totals for balancing to the 202 segment.

After the Employee Master File Audit report is produced and all out-of-balance conditions are reconciled, the fields in error can be corrected by entering the appropriate adjustment transactions in the next compute cycle. Then the Canadian Employee Master Audit program can be run at the end of the compute cycle to verify that the out-of-balance conditions are corrected.

Certain types of provincial payments are not federally taxable. Some types of federal payments are not provincially taxable. If you set up the taxing options of the DOEs for these payments, the Canadian Employee Master File Audit produces up to three out-of-balance messages for each employee with these DOEs.

Use a runtime AU transaction to account for these types of payments. Indicate which DOEs are provincially taxable and federally non-taxable. You need to complete an AU transaction for each level 1 - level 2 affected. Exclude Relevé Private Health Insurance Plan Contributions DOEs. If you also have DOEs that are federally taxable and provincially non-taxable, you need to complete an AU transaction for those payments as well.

You can include up to 20 DOEs on the AU transaction for each level 1 - level 2. The first ten DOEs are for provincially taxable and federally non-taxable DOEs. The next ten are for federally taxable and provincially non-taxable DOEs. See the *Transaction Descriptions* guide.

The messages are associated with comparisons between provincial gross wages and federal gross wages, as well as provincial other taxable allowances and federal other taxable allowances.

Employee Master Audit Balance Tests

The following table lists all balance tests performed in an employee's record.

Note: The amount described in column 1 should equal the amount in column 2.

Test #	Column 1	Column 2
1	250 - DOE earnings	202 - Total other earnings
2	250 - DOE deductions	202 - Total deductions
3	202 - Gross-to-net	202 - Net pay
4	202 - Total gross	300 - Total T4/T4A gross
5	202 - Federal tax	300 - Total T4/T4A fed tax
6	202 - CPP tax	300 - Total T4 CPP tax
7	202 - EI tax	300 - Total T4 EI tax
8	202 - Provincial tax	300 - Total REL 1, 2, PR tax
9	202 - QPP tax	300 - Total T4 QPP tax
10 (1)	Federal taxable wages (from DOE accumulation)	203 - Federal taxable wages
11	203 - CPP ins wages	300 - Total T4 CPP wages
12	202 - EI total wages	300 - Total T4 EI wages
13	203 - QPP ins wages	300 -Total RL-1 QPP wages up to max
14	202 - EI total wages	390 - Total EI wages
15	250 - DOE reg. commission	300 - Total T4 commission
16	250 - DOE T4 pension adjustment	300 - Total T4 pension adjustment
17	250 - DOE RPP	300 - Total T4 RPP
18	250 - DOE charity	300 - Total T4 charity
19	250 - DOE union dues	300 - Total T4 union dues
20	250 - DOE joint committee	300 - Total R1 joint committee
21	206 - YTD QPIP total wages	395-398 - Total QPIP wages
22	250 - DOE elig. ret. allow	300 - Total T4 elig. ret. allow
23	250 - DOE non-elig. ret. allow	300 - Total T4 non-elig. ret. allow
24	250 - DOE ind commission	300 - Total T4A commission
25	250 - DOE other income	300 - Total T4A other income
26	250 - DOE patronage	300 - Total T4A patronage
27	250 - DOE pension	300 - Total T4A pension
28	250 - DOE annuity	300 - Total T4A annuity

(continued)

Test #	Column 1	Column 2
29	250 - DOE lump sum	300 - Total T4A lump sum after
30 (2)	300 - REL 1 gross	300 - QUE. total T4 gross
31	300 - REL 1 CPP tax	300 - QUE. total T4 CPP tax
32	300 - REL 1 EI tax	300 - QUE. total T4 EI tax
33	300 - REL 1 QPP tax	300 - QUE. total T4 QPP tax
34	300 - REL 1 req comm	300 - QUE. total T4 commission
35	250 - DOE ind comm	300 - Total R1 other commission
36	300 - REL 1 RPP	300 - QUE. total T4 RPP
37	300 REL 1 charity	300 - QUE. total T4 charity
38	300 REL 1 union dues	300 - QUE. total T4 union dues
39	300 - DOE other income	300 - Total R1 other income
40	300 - DOE patronage	300 - Total R1 patronage
41	300 - REL 1 ind comm	300 - Total T4A commission
42	Not currently used	Not currently used
43	300 - REL 1 patronage	300 - Total T4A patronage
44	300 - Total T4A pension	300 - REL 2 pension
45	300 - Total T4A annuity	300 - REL 2 annuity
46	300 - Total T4A lump sum after	300 - REL 2 lump sum after
47	300 - Total T4A lump sum before	300 - REL 2 lump sum before
48	300 - Total T4A income average ann.	300 - REL 2 income averaging ann.
51	250 - DOE T4A pension adjustment	300 - Total T4A pension adjustment
52	Not currently used	Not currently used
53	250 - DOE elig. ret. allow.	300 - REL 1 elig. ret. allow.
54	300 - Rel1 retiring allowance	300 - Total T4 Quebec elig. ret. allow.
55	202 - YTD QPIP tax	300 - Total T4 Quebec YTD QPIP tax
56	300 - Rel1 YTD QPIP tax	300 - Total T4 Quebec YTD QPIP tax
57	250 - DOE RRSP refund	300 - REL 2 RRSP refund
58	250 - DOE RRSP rcvd.	300 - REL 2 RRSP rcvd
59	250 - DOE RRSP overpay	300 - REL 2 RRSP overpay
60	250 - DOE RRSP deregis.	300 - REL 2 RRSP deregis.
61	250 - DOE inelig. investment	300 REL 2 RRSP inelig. invest.
62	250 - DOE other income/deductions	300 - REL 2 RRSP other inc ded
63	206 - YTD insurable QPIP wages	300 - Total T4 Quebec YTD QPIP wages

(continued)

Test #	Column 1	Column 2
64	300 - QUE YTD insurable QPIP wages	300 - Quebec T4 YTD insurable wages
65	250 - DOE housing	300 - Total T4 housing
66	300 - QUE T4 housing	300 - REL 1 housing
67	250 - DOE employer auto	300 - Total T4 employer auto
68	300 - QUE T4 employer auto	300 - REL 1 employer auto
69	250 - DOE loans	300 - Total T4 loans
70	300 - QUE T4 loans	300 - REL 1 loans
71 (2)	250 - DOE other tax allow.	300 - Total T4 other tax allow.
72 (2)	300 - QUE T4 other tax allow.	300 - REL 1 other tax allow.
73	250 - DOE med travel	300 - Total T4 med travel
74	300 - QUE T4 med travel	300 - REL 1 - med travel
75	250 - DOE other travel	300 - Total T4 other travel
76	300 - QUE T4 other travel	300 - REL 1 other travel
77	250 - DOE stock option benefits	300 - Total T4 stock option benefits
78	250 - T4A char donations	300 - T4A char deductions
79	250 - DOE transfer funds	300 - Total T4A transfer funds
80	250 - DOE past service	300 - T4A past service
81	250 - DOE private health ins	300 - Total R1 private health
82	250 - DOE multi-emp ins	300 - Total REL 1 multi-emp
83	250 - DOE deferd wages	300 - Total REL 1 deferd wgs
84	250 - DOE RRSP deduction	300 - Total REL 2 deductn
85	250 - DOE RRSP tax pd	300 - Total REL 2 tax paid
86	203 - Ins EI wages	202 - Total EI wages to max
87	300 - QUE T4 stock opt	300 - REL 1 stock opt
88	206 - YTD QPIP total wages	395-398 - Total QPIP wages
89 (3)	203 - QPP ins wages	Annual QPP wage maximum
90	202 - YTD EI Wages	206 - YTD Quebec EI Wages
91	250 - T4A RESP Accum Income	300 - T4A RESP Accum Income
92	250 - T4A RESP Educ Assist	300 - T4A RESP Educ Assist

Balance Test Notes

- Federal taxable wages in Balance Test 10 is the figure remaining after the total of all earnings DOEs that are not federally taxable and all excludable deduction DOEs that are not RPP DOEs have been subtracted from total gross.
- The total federal or provincial non-taxable amounts or both (from the DOEs entered on the AU transaction) are added to the T4 or Relevé 1 amounts or both just before the balance test as follows:

Test 30	Federal non-taxable and Relevé 1 private health insurance added to Quebec T4 gross (that portion of T4 YTD gross paid to an employee while working in Quebec). Provincial non-taxable added to Relevé 1 YTD gross wages.
Test 71	Federal non-taxable added to T4 other taxable allowances.
Test 72	Federal non-taxable added to Quebec T4 other taxable allowances. Provincial non-taxable added to Relevé 1 other taxable allowances.

- This test is performed as long as 300 RL-1 total QPP wages are greater than the annual QPP wages maximum.

Using the Bond Accounting Features

This section explains the Bond Accounting features.

Bond Account

A bond account is an area within an Employee Master File record used for maintaining basic identification data, current account status, and purchase history associated with a specific denomination of bond that the employee has requested to purchase periodically through deductions. A maximum of three bond accounts can be established and maintained for an employee. The denominations assigned to each of an employee's bond accounts can be the same, but separate DOEs **must** be established for each bond account. Each bond account has a Bond Type Field. Blank or **E** will produce an EE series bond, and **I** will produce an I series bond.

Bond Accounting

Bond processing is the process performed on a periodic basis by the system to maintain established employee bond accounts. The bond accounting feature performs the following basic bond accounting functions:

- Automatic application of payroll bond deductions to bond accounts
- Automatic memo purchasing of bonds from bond accounts
- Automatic adjustment of account balances for manual checks (prepayments)
- Replacement of account balances with manually entered adjusted balances

Bond DOE

A bond DOE is a DOE established for an employee specifically to control deductions taken for bond purchases. To establish a bond DOE for an employee, a DOE code must be chosen. The DOE is defined as a type E (Bond) deduction at the organization (level 1 - level 2) level. Only one bond DOE can be associated with a bond account, and a maximum of three per employee can be used for bond accounting.

Bond DOE Cross-Reference

The bond DOE cross-reference is the specification within an employee bond account of the DOE established for the employee to control deductions taken for that bond account. As a result, a bond DOE is tied, or cross-referenced, to a bond account for the purpose of supplying (on a memo or record-keeping basis only) the deductions. The deductions accumulate in the account and eventually are used to make memo bond purchases. Only one employee DOE can be cross-referenced to a bond account. The DOE selected must be defined at the organization level (level1-level 2) as a bond (type E) deduction.

Bond Deduction

A bond deduction is the amount deducted from an employee's gross pay after taxes as a result of processing a pay action for which a bond DOE is active. This deduction represents money actually retained by the employer for the purpose of purchasing bonds for the employee. If the bond DOE that generated the bond deduction is cross-referenced to a valid bond account, the amount of the deduction is added to the account balance as a current deduction.

Relationship to Bond Account

The actual bond deduction is taken and accounted for as part of gross payroll deductions regardless of the existence of the related bond account. The account serves the specific purpose of maintaining a memo account of that portion of gross payroll deductions defined as bond deductions for the employee.

Bond Account Purchase

A bond account purchase is a memo, or record only, purchase of bonds performed by the HCM:E Bond Accounting feature for a particular employee bond account. Bond purchasing is performed for a bond account each pay period in which there is payment action and a bond deduction is taken. Bond account purchases are determined by reducing the account balance by the bond purchase price as many times as possible before driving the resulting account balance negative. If the process is successfully performed at least one time, the final resulting balance is carried forward as the new account balance. The number of times the process occurred represents the current number of bonds memo purchased for the bond account.

The last figure is used to update the bond account's bond purchases-to-date accumulators. When the system generates bond purchases in this manner, there is no direct relationship between the number of such purchases indicated and any actual bonds which the employer could have purchased for the employee. For this reason, a bond account's purchases-to-date accumulators represent only a memo accounting of the number of bonds which **should have been** purchased for the periods specified as a result of actual bond deductions taken. The HCM:E system can use this information to produce a Bonds Purchase Tape.

Establishing a Bond Account

Because bond accounting data is optional for an employee, a bond account can be established for an employee by accessing Screen 43 (US) or 39 (Can) and specifying the appropriate bond account identification code. For valid values, see the NE/RE transaction in the *Transaction Descriptions* guide.

To perform maintenance on bonds, enter data in the fields being changed. Data fields that are blank will not change. For a new bond account, the Bond Type Code, Bond Account Price Code, Bond Account DOE Cross-reference, and Bond Account Current Balance fields in the Employee Master File are initialized to zeros. If an account containing blanks for the New Bond Type Code, Bond Account, Bond Acct., Price DOE, DOE Cross Reference, and Current Balance fields is established, the initialized values on the Employee Master File remain unchanged. This situation has important implications.

The minimum information required to set up a bond account effectively is bond price code and bond DOE cross-reference. If both of these (or the DOE cross-reference only) are omitted or incorrectly specified, bond accounting cannot take place. If only the price code is omitted or in error, bond deductions are posted to the bond account, but no memo purchasing takes place as no positive price is available for purchases processing. If the bond type code is omitted the bond type defaults to a series EE bond.

Complete bond accounting can be performed only when both a valid employee bond account is established and a valid employee bond DOE is set up and cross-referenced to the bond account. It is possible for either of these bond accounting elements to be established without the other. However, complete bond accounting cannot take place under either of these circumstances.

Alternate owner/co-owner/beneficiary identification data can, optionally, be specified for a bond account when it is established. Alternate owner means an owner other than the employee on file.

Transferring External Balances

When establishing bond accounts for employees, it often becomes necessary to transfer account balances and purchases data from other bond accounting systems. A balance from another bond accounting source can be set up for an employee by specifying the balance amount in the Current Balance field of the appropriate bond account using Screen 43 or 39. If the bond account is already established, the balance can be carried over using the Beg Bal field on the screen.

Bond purchases from another bond accounting source can be transferred to an employee's bond account using the bond purchases-to-date adjustment capability of the YD transaction. Specify the appropriate bond account identification code and enter the number of purchases to be carried over in the Purchases Adjustment Amount field. Usually, the codes in the Update Code and Adjustment Code fields are MA. This indicates positive adjustment of all to-date accumulators.

Modifying and Adjusting Bond Account Data

All bond account fields except the purchases-to-date accumulators can be changed on a replacement basis. Purchases-to-date accumulators can be modified through use of the bond purchases adjustment fields in the YD transaction. The bond account being adjusted is specified by the bond account identification code. The number of bond purchases used to adjust the purchases accumulators is entered in the Purchases Adjustment Amount field. The specification of adjustment codes (positions 79-80) is determined by the type of adjustment (positive or negative) and the to-date accumulators being adjusted.

Bond Accounting

The bond accounting performed by the system requires the use of three primary and four secondary fields within each employee bond account.

These are primary fields:

- Ending Balance
- Current Deduction
- Beginning Balance

The secondary fields are the four bond purchases accumulators:

- Current
- Month-to-date
- Quarter-to-date
- Year-to-date

The only system transactions that can activate some element of bond accounting are the NE/RE, YD, ZT, and ZV transactions. This is accomplished through manipulation of one or more of the preceding fields. Bond accounting can also be initiated by operation of the automatic pay feature of the system. Depending on the transaction being processed, one specific employee bond account or all of an employee's bond accounts can be accessed for bond accounting purposes. Bond accounting is always performed individually for each of an employee's bond accounts with no combined account processing taking place.

Bond Accounting Actions

The bond accounting that can be performed during a pay processing cycle (assuming performance of both the Update and Compute processing steps) is summarized as follows:

1. Establish new or replace bond account balance (Update processing).

2. Automatically adjust bond account balance with bond deduction amount from manual check (prepayment) - YD transaction, one to three bond accounts per transaction (Compute processing).

3. Adjust bond purchases-to-date accumulators - YD transaction, one bond account per transaction (Compute processing).

4. Automatically update bond account balance with current bond deduction - ZT, ZV transactions and automatic pay processing, one to three bond accounts per payment action (check) (Compute processing).

5. Automatically memo purchase bonds from updated bond account balance.

6. Automatically update bond purchases accumulators with current purchases.

The following report provides a detailed example of the way these bond accounting actions are performed for a single employee bond account. The figures used are representative. The indication of bond account fields accessed is accurate for the processing specified. The previous cycle entry indicates representative bond account field values after processing of the Compute step from the previous processing cycle. Assumptions made for the example are a valid employee bond account with $50.00 bond price ($100.00 bond denomination) and an employee bond DOE with $9.00 deduction amount.

PROCESSING CYCLE

BOND ACCOUNT ACTION	TRANS ID	AMT	UPDATE BEGIN BAL	CDA	END BAL	CUR	PURCHASES MTD	QTD	YTD	COMPUTE BEGIN BAL	CDA	END BAL	CUR	PURCHASES MTD	QTD	YTD
Balance from Previous Cycle										52.00	50.00	2.00	1	3	5	5
			2.00	0.00	2.00	0	3	5	5							
Update Processing																
1	1	RE 5.00	5.00	0.00	5.00	0	3	5	5							
Compute Processing Initialization																
2			5.00	0.00	5.00	0	3	5	5							
3	3	YD 2	5.00	0.00	5.00	2	3	7	7							
4	3	YD 1	5.00	0.00	5.00	-1	2	7	7							
5	2	YD 50.00	5.00	50.00	55.00	0	2	7	7							
6	4,5,6	Automatic Pay and ZT-R1's Bond Deductions - 9.00 (Check 1)								55.00	9.00	14.00	1	3	8	8
7	4	ZT-R7 (Check 2)								14.00	9.00	23.00	0	3	8	8
8	4,5,6	ZV-V1 (Check 3)								23.00	27.00	0.00	1	4	9	9

NOTES:
- CDA = Current Deduction/Adjustment
- Amounts underlined above indicate values changed as a result of bond accounting performed.
- Positions 79-80 in the YD transaction shown in Accounting Action 3 above are "MA".
- Positions 79-80 in the YD transaction shown in Accounting Action 4 above are "1M".
- Position 80 in the YD transaction shown in Accounting Action 5 above is "P".

The following notes provide a more detailed explanation of the bond processing in the previous example. See the note references in preceding report (numbers in boxes to the left of the bond accounting action numbers).

1. Update Processing. Bond account updating (RE transaction) replaces the current bond account balance of $2.00 with the adjusted balance of $5.00. The adjusted balance is taken from the Current Balance field of the transaction. The new balance replaces the values of **both** the Ending Balance and Beginning Balance fields to denote replacement rather than adjustment. The current balance of a bond account is always located in the Ending Balance field. Beginning balance is used only as a holding area for current balance before transaction processing. Keeping this value in a separate field allows printing on the Bonds Register of both beginning and ending account balance for all transactions.

2. Compute processing initialization. For each transaction processed that updates or creates an employee master record, the ending balance is moved to the beginning balance and the Current Deduction/Adjustment and Current Bond Purchases fields are cleared to zero for all bond accounts. This initialization is performed for each of the Update transactions in the example, but it is not shown elsewhere in the example so that the transaction processing can be emphasized.

3. Bond purchases-to-date adjustment transaction (YD) increases values of quarter-to-date and year-to-date bond purchases accumulators by two bond purchases each. Current bond purchases contains both the amount and sign of the bond purchases adjustment processed. The standard adjustment codes (positions 79-80) control the to-date accumulators adjusted and the type of adjustment processing (positive or negative) performed.

4. Bond purchases-to-date adjustment transaction (YD) decreases the value of month-to-date bond purchases accumulator by one bond purchase.

5. DOE prepayment adjustment transaction (YD) adjusts one or more employee DOE balances for a manual check issued. One of the DOEs adjusted is a bond DOE cross-referenced to the bond account under examination. The fact the DOE is cross-referenced to this bond account automatically triggers addition of the DOE adjustment amount ($25.00) to the Ending Balance field of the account. This updates the current account balance. For reporting purposes, the DOE adjustment amount is also moved to the Current Deduction/Adjustment field of the account.

6. The processing of the pay action elements of automatic pay and multiple ZT-R1 time entry transactions results in an employee payment (check or bank deposit) and the taking of a bond deduction. When a bond deduction is taken during Compute processing, the employee's bond accounts are examined for a cross-reference specification specifying the bond DOE responsible for this deduction. If one of the employee's bond accounts does cross-reference this DOE, the bond deduction is added to the Ending Balance field of the cross-referenced bond account. In the example shown, this processing yields a current account balance of $64.00 ($55.00 + $9.00). The bond deduction amount is moved to the Current Deduction/Adjustment field of the bond account for reporting purposes.

During Compute, processing bond purchasing is activated when a bond deduction is taken. This is controlled by a bond DOE cross-referenced to a valid bond account. Bond purchases processing is performed for the cross-referenced bond account in the example. The account balance has already been updated by the amount of the current bond deduction. It is from this updated balance of $64.00 that bonds are memo purchased.

Following the purchasing logic outline under Bond Account Purchase in this discussion, the account balance is reduced from $64.00 to $14.00 (a reduction of $50.00, the purchase price of one bond of the denomination specified for the bond account) and one is moved to the bond account's Current Bond Purchases field. This represents the number of bonds memo purchased as a result of the pay action processing performed. The final step of the bond accounting performed in the example is the automatic rolling of current bond purchases (1 in the example) to the month, quarter, and year-to-date bond purchases accumulators.

The bond purchasing performed in this example could not have been possible without the increase in the bond account balance resulting from processing the prepayment adjustment described in 5. If this adjustment transaction was not processed, the account balance resulting from the pay action indicated would only be $14.00 ($5.00 + $9.00), not enough for a memo bond purchase. Thus the prepayment adjustment amount from 5 was ultimately applied towards bond purchases.

7. The processing of additional pay action elements (ZT-R7 time entry transaction in the example) results in a second employee payment and bond deduction for the payroll processing cycle. The actual bond accounting performed during a Compute processing cycle is not a function of the pay action elements processed. It depends specifically on the taking of bond deductions, and the existence of employee bond accounts that cross-reference the bond DOEs controlling these deductions.

   In the example shown, the bond deduction resulting from processing the DOE to which the bond account is cross-referenced yields an updated account balance of $23.00 ($14.00 + $9.00). This balance is not sufficient to memo purchase a bond of the denomination specified for the account. The bond account balance remains as updated by the bond deduction and the Current Bond Purchases field remains as initialized before processing the pay action elements indicated. The purchases-to-date accumulators are updated from the Current Purchases field, but they remain unchanged as a result of the current field's zero value.

8. The processing of still more pay action elements (ZV-V1 time entry transaction in the example) results in a third and final employee payment and bond deduction for the current payroll processing cycle. The pay action in the example consists of vacation pay covering three normal pay periods that yields a bond deduction three times the usual amount. This bond deduction, in turn, results in the memo purchase of one bond.

Bonds Register

The Bonds Register is a comprehensive report. The greatest single aid in making effective use of this report is a thorough understanding of the way the system performs bond accounting.

The sequence in which employees are reported on the Bonds Register is specified by Screen 11 or 9, CS-1 Data options. The lowest level subject to user specification is the employee level. Below this level, the sequence in which bond information is presented is fixed.

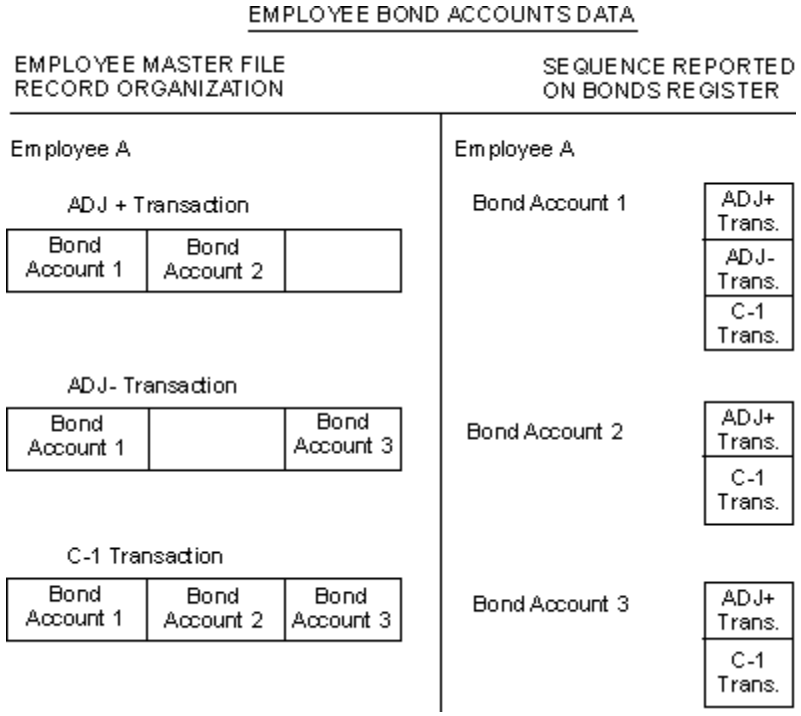
Generally, for a specific report, the relevant information from each Employee Master File record is reported **within** employee by master file transaction record sequence (ADJ+, ADJ-, PRE, C-1, C-2, and so on). However, for the Bonds Register, the bonds accounts area of each Employee Master File record is exploded into separate records for each of the employee's individual bond accounts.

Before producing the Bonds Register, these extracted records are sorted by original master file transaction record sequence **within** bond account identification code. When the Bonds Register is printed, each of an employee's active bond accounts is reported separately. The report includes current master file transaction activity for the account listed in sequence after the basic identification information from the account. Without this special processing, bond accounting activity is reported strictly by bond account within Employee Master File transaction rather than vice versa. This makes it very difficult to obtain a clear picture of the effect on a particular bond account of the current period's payroll transactions.

Select the Payroll Reporting Detail File when producing the Bonds Register. The Payroll Reporting Detail File contains the detail to show all payment activity that has affected bond accounting. The Employee Master File shows only a summarization of the payment activity affecting the bond balances.

The following diagram provides:

- A basic comparison of the organization of bond accounting data on the master file (which is the sequence in which most Employee Master File data is reported)
- The sequence in which this data is actually reported on the Bonds Register.



The following comments refer, by number, to features of the example Bonds Register that follows.

1. Literal ADDR prints only when the bonds register address option is specified on Screen 11 or 9, CS-1 Data (PRT EMPADDR field = *).

2. Employee addresses print only when address option is specified.

3. This address is compressed from a master file address with values in the Address Line 1 and 3 fields and the Address Line 2 field is blank.

4. Current pay code prints only when the pay code totals option is specified on Screen 11 or 9, CS-1 Data (TOTAL BY PAY field = *).

5. This position of the report is completely blank when year-to-date totals are not requested on Screen 311 (BOND REGISTER YTD field = blank).

6. No totals that have a value of zero are printed in the summary total area.

7. Record type of a balance forward (**BFWD**) record is used to indicate a bond account balance forward status. Balance forward accounts have had no adjustment or pay action activity during the current payroll processing cycle even though fields within these accounts (including account balance) could have been modified as a result of processing RE transactions.

8. Current control level report controls of levels 3 through 5 are printed on each control level break after printing of previous control-level summary totals.

9. Literal BENE indicates printing of bond account beneficiary identification data.

10. Literal CO-OWN indicates printing of bond account co-owner identification data.

11. Literal ALT-OWN indicates printing of bond account alternate owner identification data.

12. Area in which name from first (or only) assigned category of identification data prints.

13. Area in which social security number from first (or only) assigned category of identification data prints. The data contained in this field is edited with dashes inserted between the fourth and fifth and sixth and seventh characters of the 10-character field.

14. Area in which appropriate literal for second category of identification data prints when that data is found for the bond account. Second category can only be CO-OWN data or OWNER data, where OWNER indicates printing of bond account alternate owner identification data.

15. Area in which name from second assigned category of identification data prints.

16. Area in which social security number from second assigned category of identification data prints. See Comment 12 for additional comments.

17. Area is blank unless the system has memo purchased bonds during the current payroll processing cycle for the bond account indicated. However, in the case of a BFWD record, this area contains the applicable bond denomination for the bond account with zeros in the purchases and cost areas. The bond denomination is printed in this case to allow complete identification of the bond account regardless of its activity status.

18. Observe the sequence of transactions within bond accounts and bond accounts within employees.

19. Beginning balance in a bond account summary line is always the beginning balance from the **first** master file transaction reported for the bond account.

20. With the exception of bond denomination, which is constant for a bond account, the bond account summary line values for the fields indicated are true arithmetic sums of the transaction field values reported.

21. Ending balance in a bond summary line is always the ending balance from the **last** master file transaction report for the bond account.

22. Comments from Comment 19 apply to current bond purchases.

23. Field values for month-to-date, quarter-to-date, and year-to-date bond purchases in a bond account summary line are always the values of these fields from the last master file transaction reported for the bond account.

24. A bond account SUMM line, summarizing all current period activity for a bond account, prints when more than one transaction is reported for the account. This line also prints when only one transaction is reported and no MEMO purchases result from processing this transaction. The purpose of the printing the SUMM line in this case is to report bond denomination. This provides full identification information for a reported bond account regardless of current activity. Therefore, regardless of the condition that causes a summary line to be printed, the bond denomination is always reported on that line. A summary line is not printed when only a single transaction is found for a bond account and this transaction is the BFWD record. The SUMM line is the only line printed for each account when the employee summary option is specified on the CS-1 transaction (position 55 = *, Screen 9 or 11).

26. To-date bond purchases accumulators are adjusted as a result of processing a YD transaction with an entry of **2** for the Bond Account Identification Code (position 71), **4** for the Bond Purchases Adjustment Amount (positions 72-74), and **MP** for the Adjustment Codes (positions 79-80).

27. Bond account ending balance adjusted by amount of YD transaction bond DOE adjustment. This cross-reference type of adjustment occurs only for manual check (prepayment) adjustment transactions.

28. These line items report the most fundamental bond accounting performed for a bond account by the system. The C-1 entry reports a bond deduction, resulting from pay action processing a bond purchase from the updated account balance. The C-3 entry reports a bond deduction resulting from pay action processing, but no bond purchase due to insufficient account balance.

29. This summary total block prints on every control-level break encountered when printing the Bonds Register. The control level being summarized is identified below the level description. All totals that are not zero print for each of the possible bond denomination categories and the inactive category.

30. The INACTIVE category summarizes the limited activity possible for bond accounts with no specified denomination. This results from price code entry of zero. The only bond accounting that can be performed for such accounts is the posting of cross-referenced bond deductions to the account balance. No bond purchasing is possible. This category also reports bond accounts that were previously active and generated bond purchases but have been deactivated for bond purchasing by maintenance changes of the bond prices to zero.

31. The OBSOLETE categories summarize all employees who are currently purchasing U.S. Savings Bonds in denominations that are no longer allowed by the government for payroll deduction. For these employees, an employer should do one of the following:

    – Notify affected employees and solicit a new bond denomination election, or

    – Process changes to convert the obsolete bond denomination code for all affected employees to the lowest valid denomination code. See the *Transaction Descriptions* guide.

32. Summary of all bond account **first** transaction beginning balance amounts for the control level. See Comment 18.

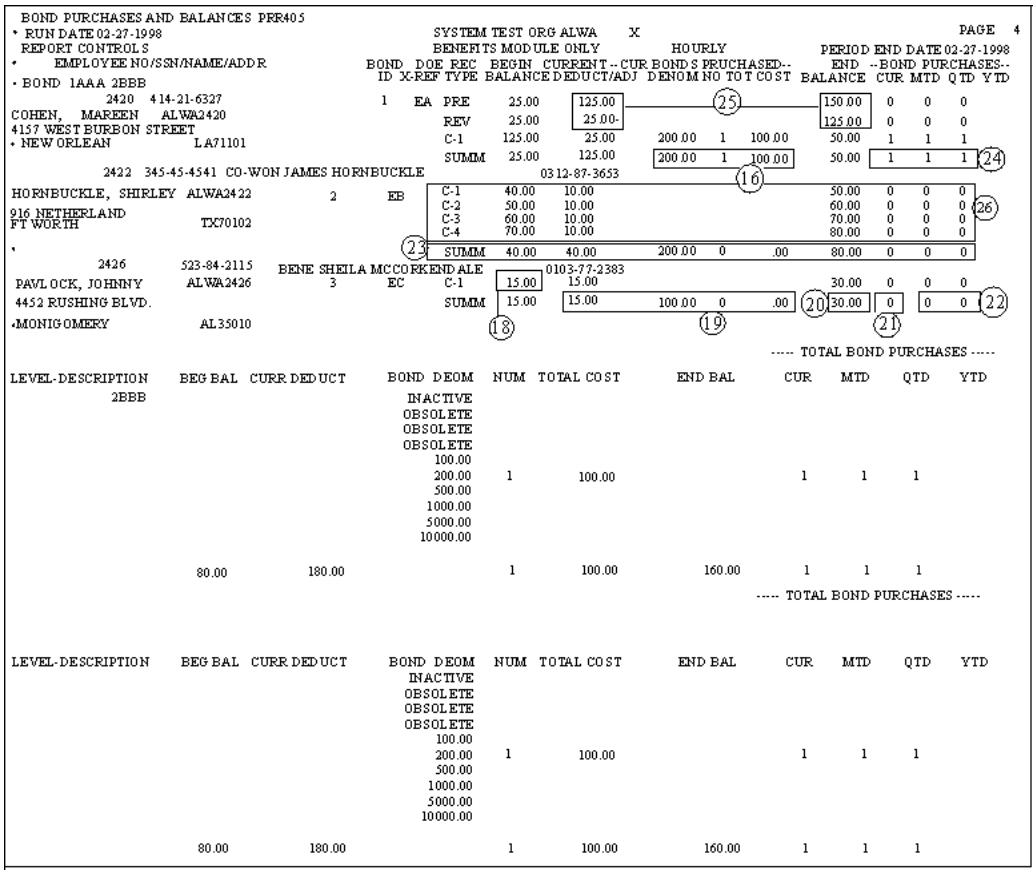
33. True arithmetic sums of summary totals reports for the several denomination categories. Current deductions/adjustments, number and cost of bond purchases, and current purchases are determined for each denomination category within the summary totals block. This is accomplished by summing the appropriate field values from each bond account transaction reported for all bond accounts of the denomination specified. Month-to-date, quarter-to-date, and year-to-date purchases are determined for each denomination category by summing the Last Transaction field values reported for all bond accounts of the denomination specified.

34. Summary of all bond accounts **last** transaction ending balance amounts. See Comment 20.

35. Observe the absence of identification data for this bond account and the line shift that results as compared to the bond accounts with identification data shown in Sample 2.

```
BOND PURCHASES AND BALANCES  PRR405              SYSTEM TEST ORG TNRA         X                                        PAGE     1
RUN DATE 12-15-2003                              US COMBINED, 1099R ONLY      X  HOURLY                PERIOD END DATE 10-24-2003
REPORT CONTROLS                      BOND    DOE  REC    BEGIN    CURRENT ---- CUR BONDS PURCHASED ----      END   BOND PURCHASES
     EMPLOYEE NO/SSN/NAME           ACCT/SER X-REF TYPE  BALANCE DEDUCT/ADJ    DENOM   NO       TOT COST   BALANCE  CUR MTD QTD YTD
         5426    216-23-4567         BENE WORTHY, EULIA                2567-65-432
WILLIS, HECTOR TNRA5426                1/E    25  C-1     60.00         .00                                 60.00   0   0   0   0
4452 RUSHING BLVD.                                 SUMM    60.00         .00   100.00   0          .00     60.00   0   0   0   0
MONTGOMERY            AL 35010-0000
         5428    217-23-4567         BENE WORTHY, MABLE                2537-65-432
MABLES, WENDALL TNRA5428               1/E    39  BFWD    60.00         .00   200.00   0          .00     60.00   0   0   0   0
4445 BECKWICH STREET                                Refer to Comment 7
SUITE 2001
JUNO                  AK 99503-0000
                                                                                                  ----- TOTAL BOND PURCHASES ----
LEVEL-DESCRIPTION      BEG BAL    CURR DEDUCT BOND DENOM    NUM      TOTAL COST        END BAL      CUR      MTD      QTD      YTD
                                                 50.00
                                                 75.00
                                                100.00
                                                200.00
                                                500.00
                                               1000.00
                                               5000.00
                                              10000.00
                       360.00                                                          360.00
```

Note: This report illustrates **(BFWD)**. See Comment 7 earlier in this Bond Register discussion.



BOND PURCHASES AND BALANCES PRR405 — PAGE 4

* RUN DATE 02-27-1998 — SYSTEM TEST ORG ALWA X

REPORT CONTROLS — BENEFITS MODULE ONLY — HOURLY — PERIOD END DATE 02-27-1998

* EMPLOYEE NO/SSN/NAME/ADDR — BOND ID — DOE REC — BEGIN BALANCE — CURRENT DEDUCT/ADJ — CUR BONDS PRUCHASED DENOM — NO — TOT COST — END BALANCE — BOND PURCHASES CUR — MTD — QTD — YTD

* BOND 1AAA 2BBB

2420 414-21-6327 — 1 EA PRE — 25.00 — 125.00 — 150.00 — 0 0 0

COHEN, MAREEN ALWA2420 — REV — 25.00 — 25.00- — 125.00 — 0 0 0

4157 WEST BURBON STREET — C-1 — 125.00 — 25.00 — 200.00 — 1 — 100.00 — 50.00 — 1 1 1

* NEW ORLEAN LA71101 — SUMM — 25.00 — 125.00 — 200.00 — 1 — 100.00 — 50.00 — 1 1 1 (24)

(25) (16)

2422 345-45-4541 CO-WON JAMES HORNBUCKLE 03 12-87-3653

HORNBUCKLE, SHIRLEY ALWA2422 — 2 EB — C-1 — 40.00 — 10.00 — 50.00 — 0 0 0

916 NETHERLAND — C-2 — 50.00 — 10.00 — 60.00 — 0 0 0 (26)

FT WORTH TX70102 — C-3 — 60.00 — 10.00 — 70.00 — 0 0 0

* — C-4 — 70.00 — 10.00 — 80.00 — 0 0 0

(23) SUMM — 40.00 — 40.00 — 200.00 — 0 — .00 — 80.00 — 0 0 0

2426 523-84-2115 BENE SHEILA MCCORKENDALE 0103-77-2383

PAVLOCK, JOHNNY ALWA2426 — 3 EC — C-1 — 15.00 — 15.00 — 30.00 — 0 0 0

4452 RUSHING BLVD. — SUMM — 15.00 — 15.00 — 100.00 — 0 — .00 — (20) 30.00 — 0 — 0 0 (22)

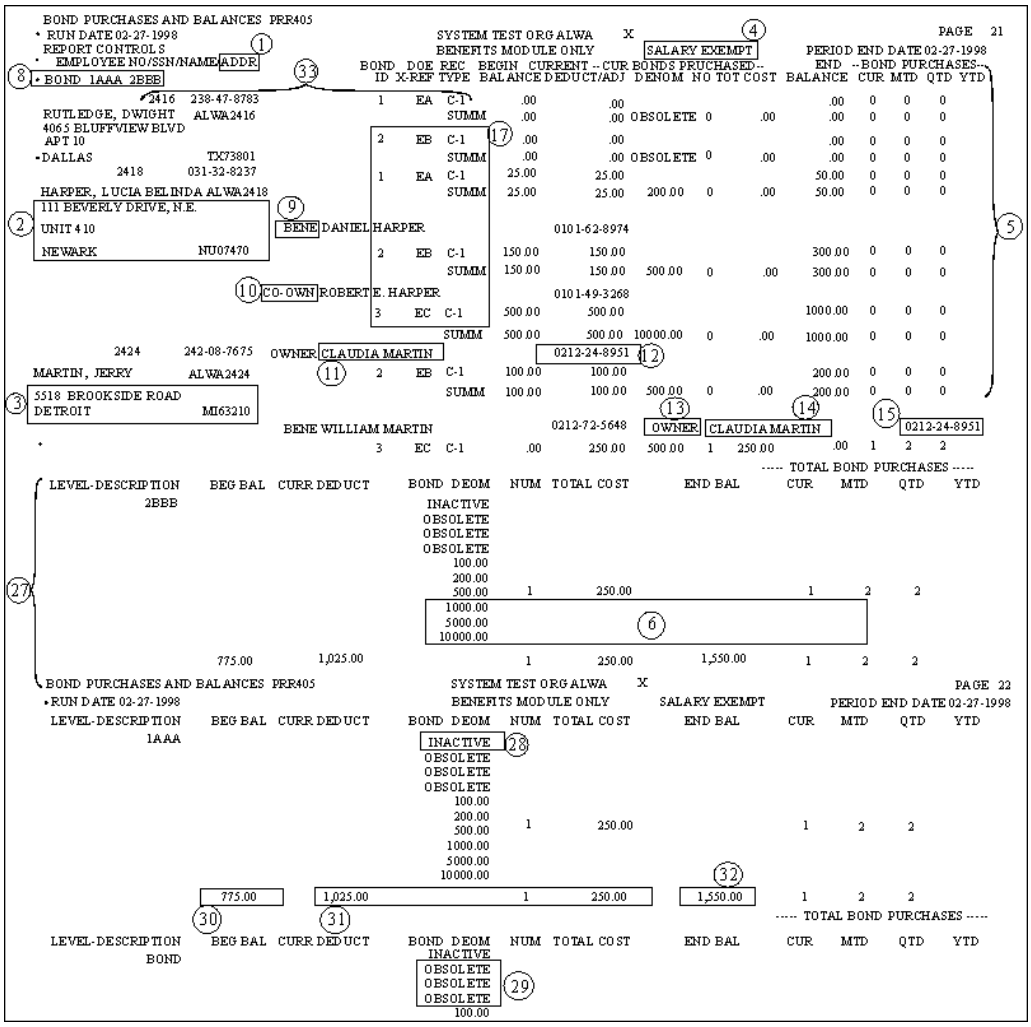
*MONIGOMERY AL35010 — (18) (19) (21)

---- TOTAL BOND PURCHASES ----

LEVEL-DESCRIPTION	BEG BAL	CURR DEDUCT	BOND DEOM	NUM	TOTAL COST	END BAL	CUR	MTD	QTD	YTD
2BBB			INACTIVE							
			OBSOLETE							
			OBSOLETE							
			OBSOLETE							
			100.00							
			200.00	1	100.00		1	1	1	
			500.00							
			1000.00							
			5000.00							
			10000.00							
	80.00	180.00		1	100.00	160.00	1	1	1	

---- TOTAL BOND PURCHASES ----

LEVEL-DESCRIPTION	BEG BAL	CURR DEDUCT	BOND DEOM	NUM	TOTAL COST	END BAL	CUR	MTD	QTD	YTD
			INACTIVE							
			OBSOLETE							
			OBSOLETE							
			OBSOLETE							
			100.00							
			200.00	1	100.00		1	1	1	
			500.00							
			1000.00							
			5000.00							
			10000.00							
	80.00	180.00		1	100.00	160.00	1	1	1	


BOND PURCHASES AND BALANCES PRR405
RUN DATE 02-27-1998
REPORT CONTROL S
EMPLOYEE NO/SSN/NAME ADDR
BOND 1AAA 2BEE
SYSTEM TEST ORG ALWA X
BENEFITS MODULE ONLY
SALARY EXEMPT
PAGE 21
PERIOD END DATE 02-27-1998
RUTLEDGE, DWIGHT ALWA2416
4065 BLUFFVIEW BLVD
APT 10
DALLAS TX73801
HARPER, LUCIA BELINDA ALWA2418
111 BEVERLY DRIVE, N.E.
UNIT 410
NEWARK NU07470
MARTIN, JERRY ALWA2424
5518 BROOKSIDE ROAD
DETROIT MI63210
OBSOLETE
INACTIVE
TOTAL BOND PURCHASES
BOND PURCHASES AND BALANCES PRR405
PAGE 22
1AAA
2BEE
BOND

Savings Bond Tape

A Savings Bond Tape is produced by HCM:E using Payroll Report Generate and Print. The tape supports both EE and I series bond purchases for the employee on the same tape. To produce the tape, information is needed at both the company and employee level. To establish the required company information needed on the Tables File you need to access screens 374 through 376 or use BD1, BD2, and BD3 transactions. Employee bond purchase information comes from the 210/211 segments on the Employee Master File. The BD1 transaction contains the company ID number assigned by the Federal Reserve Bank as well as the Location ID and FRB District Designator fields. The BD2 and BD3 transactions allow you to enter the company name and address associated with the assigned company ID.

You request savings bonds on the AD transaction. This request generates records for both the Bonds Register and the Savings Bond Tape. The AE print request has separate fields to request the print of the Bond Register and to produce the tape. When producing the tape, you can choose the period covered for the bond purchases by entering a code for current, month-to-date, quarter-to-date, or year-to-date period.

The period code selected must be monitored. HCM:M has no mechanism for tracking bonds that have already been included on a tape sent to the Federal Reserve Bank. The Tape Audit report from your last bond tape request is your only source for information on previously produced bond purchases.

An AE transaction for the Bond Tape must be input to Report Print with L1L2 as **** to produce the tape. Request the Bond Register as usual with your regular report print requests.

Savings Bond Tape records are produced at the same time as the Bonds Register records. On the tape, Bond series I records follow the series EE records. All records are generated by L1L2. The new BD1 Tables File transactions control L1L2 processing or cross-level processing of the tape records produced by the report print. If all bonds will process under the same company ID, enter only one BD1 transaction with the L1L2 as ****. If you have multiple company IDs to assign by L1L2, enter the BD1 transactions by L1L2 or L1**.

Savings Bond Audit Report

A Savings Bond Tape Audit Report is available. The report contains a list of all employees purchasing Series EE or I bonds or both and the number of bonds purchased by the employee. The number of bonds purchased is based on the period option selected on the AE transaction. The period code selected is matched with the Bond Purchases period indicators on the employee's 210/211 segment to determine the number of bonds to purchase.

Savings Bond Audit Exception Report

A Savings Bond Tape Exception report for EE and I series bond processing is produced with the Tape Audit report. These are some of the possible employee bond tape exceptions:

- **Invalid name format**. The employee name or alternate owner, beneficiary or co-owner if defined must be in the format of last name, comma, two spaces, first name, middle name to reformat the name properly as required on the bond tape.
- **Invalid bond owner social security number**. When the bond owner is the employee this comes from the 201 segment. If the owner is an alternate, it comes from the 210/211 segments.
- **Alternate-owner name or SSN is present, but not the other**. The tape detail record must have both the name and the SSN present. If either is missing, an exception error is created.
- **Negative bond purchase**. This is a condition that can only occur when an invalid update for the number of bond purchases in the 210/211 segment happens through the use of a YD transaction.
- **Blank state code**. State code is a required field. This condition could only happen if the employee's state code in the 201 segment is reset to spaces.

401(k) Nondiscrimination Testing

This section explains the I.E. model reports you can use to determine if your benefit plans comply with nondiscrimination regulations.

Prohibited Group Audit Report

This model report identifies highly compensated employees for benefits nondiscrimination testing and generates RA transactions to update the Employee Master File to indicate whether an employee is highly or non-highly compensated.

An employee is classified as a member of the prohibited group if any of these conditions are met:

- 5-percent owner (not tested)
- Earns over $75,000 in current or previous year
- Earns over $50,000 in current year and is in the top 20 percent of all active employees in the same year
- An officer earning greater than 150 percent of the maximum 401(k) contribution

One other requirement is not checked, but it is reported:

- No more than 50 employees or 10 percent of the total active employees can be officers of the company.

Qualified Coverage Test

This model report tests for discrimination against non-highly paid employees in relationship to your qualified benefits plans.

The Tax Reform Act of 1986 requires that your qualified benefits plans meet one of these tests:

- Percentage Test - a minimum of 70 percent of all non-highly paid employees must benefit from the plan.
- Ratio Test - the percentage of non-highly paid employees must be equal to or greater than 70 percent of the highly-paid employees.
- Average Benefits Test - the average employer-paid benefit, as a percentage of compensation, must be equal to or greater than 70 percent of the similar benefit provided to the highly-paid employees.

401(k) ADP Test

This model report performs the 401(k) ADP (Actual Deferral Percentage) Test in accordance with the Tax Reform Act (TRA) of 1986, IRC 401(k) (3) as amended by TRA Section 1116(a), (e).

The current basis for the test is on elective deferrals only. The ADP Test is based on the plan year. The ADP for the highly paid must be equal to or less than 125 percent of the ADP for the lowest paid, or the lesser of 200 percent of the lowest-paid ADP, or this ADP plus two points.

401(k) Limit Calculations

This model calculates employee pre-tax contributions, employer-paid contributions, and employee after-tax contributions to ensure that the employee remains within the limits established by the Tax Reform Act of 1986-IRC SEC 402(g) added by TRA SEC 1105.

This report series creates two RK transactions per employee:

- Limit amount for pre-tax DOE of the federal 401(k) pre-tax limit year-to-date
- Limit amount for post-tax DOE of $30.00 (or 25 percent of earnings) minus employer matching contribution minus employee pre-tax, year-to-date contribution.

This report series creates two reports:

- All employees with calculated amounts and limits generated
- Exception report for employees
  - Currently over the federal 401(k) pre-tax limit
  - Currently exceeding $30,000 or 25 percent rule

Minimum Coverage Test - Qualified Retirement Plans

This model report tests whether your plans discriminate against non-highly paid employees. If 40 percent of all employees is less than 50 employees, compare the total number of employees by plan to that number. The test fails if the total number of employees by plan is less than 40 percent of the total employees.

If 40 percent of all employees is more than 50, compare the total number of employees by plan with 50. The test fails if the total number of employees is less than 50.

Pre-1987 401(k) Compliance

This model report provides 401(k) nondiscrimination tests for the higher one-third and lower two-thirds of employees. This report determines whether your organization is in compliance and display a yes or no answer on the last page.

Selection criteria should be based on your 401(k) plan specifications. Please verify your plan to determine if employees between the ages of 25 and 99 need to be included in your test.

401(k) Report Series Models

The following run-time data is required to produce the 401(k) report series models.

HR-PROHIBITED-GROUP-REPORT

These the run time variables are accessed by the Logical Interface Module (LIM) for the report series:

Select Name	Description
HIGH-PAID-INDEXED-AMOUNT	The indexed earnings amount used to determine if an employee is highly compensated
TOP-20-PCT-INDEXED-AMOUNT	The indexed earnings amount used with the top 20% test to determine if an employee is highly compensated.
OFFICER-INDEXED-AMOUNT	The indexed earnings amount used with the officer test to determine if an employee is highly compensated

These run-time selects are accessed by the LIM for the report series:

Select Name	Description
EMP-CONTROL-LEVELS-1-2-GROUP	The organizations to include in the test. This should include all organizations that are not in a separate line of business.

HR-401K-DOE-LIMIT-CALCULATIONS

These run time variables are accessed by the LIM for the report series:

Select Name	Description
FED-EMP-401K-PRE-TAX-LIMIT	The current federally mandated 401(k) employee pre-tax limit.

These run-time selects are accessed by the LIM for the report series:

Select Name	Description
EMP-CONTROL-LEVELS-1-2-GROUP	The organizations to include in the test. This should include all organizations that are not in a separate line of business.

Using the EEO-1 and VETS Reporting Features

This section discusses the following types of HCM:E reporting: EEO-1 and VETS.

Report Formats

EEO-1 Report

The Equal Employment Opportunity Commission (EEOC) has approved the computerized formats for the following parts of the Equal Employment Opportunity Employer Information Report EEO-1 (Standard Form 100):

- Single-establishment Employer Report
- Headquarters Unit Report
- Individual Establishment Report
- Special Report

The EEOC also approved a format for the Less Than 50 Employees report required of multiple establishment employers. The approved EEO-1 report is **not** for the Consolidated report filed by multiple establishment employers, as this report must be filled out manually. A Consolidated Summary Page is provided that can be used to fill out the Employer Data section of the Consolidated report.

You can submit the forms generated by the system directly to EEOC.

VETS Report

Submit VETS-4212 forms as described in the Federal Contractor Veterans' Employment Report (VETS-4212) instructions.

Setting Up Unit Codes

A unit or establishment, as defined by EEOC, submitting Standard Form 100 or the VETS-4212 form or electronic file is called a Reporting Unit. The parent organization of that unit or establishment is the Controlling Unit.

Before assigning unit codes to the controlling and reporting units, consider this information:

- Instructions for producing the reports in the appropriate medium
  - For EEO-1 reporting, the EEOC instruction booklet for filling out Standard Form 100
  - For VETS reporting, instructions and definitions provided on the Federal Contractor Veterans' Employment Report (VETS-4212) form and Instructions for Electronic Submission of VETS Reports.
- The physical structure of the employer (single or multiple-establishments)
- The fact that controlling and reporting units can cross the major levels of control (level 1 - level 2)

The unit code has four parts:

- The first part is one position identifying which report the employer files.
- The second part is a two-position, user-defined code for the controlling unit that should be unique for each controlling unit in the Employee Master File and the same for all reporting units within that employer controlling unit.
- The third part is one position that corresponds to the numeric value assigned to the box to check identifying the type of report being produced. The type of report check boxes are found
  - For EEO-1 reporting, in Section A of Standard Form 100.
  - For VETS reporting, in the Type of Form area.
- The fourth part is a three-position, user-defined code for the reporting unit that should be unique within the controlling unit.

Organization Unit Codes

Single-Establishment

Single-establishment organizations can assign unit codes one of three ways:

- If the EEO-1 or VETS report is generated using an Employee Master File with only one single-establishment employer, the unit code assigned is 1 followed by six blanks.

  The single-establishment setup corresponds to the VETS-4212 Type of Form Single Establishment.
- For EEO-1 or VETS reports generated using an Employee Master File with more than one single-establishment employer, the unit code assigned is 1 followed by a two position, user-defined code unique to each single-establishment employer.
- For EEO-1 or VETS reports generated using an Employee Master File with more than one single-establishment employer and multiple-establishment employers, the unit code assigned is 1 followed by a two position, user-defined code unique to each establishment on the file. The next position contains 1 followed by another three-position, user-defined reporting unit code as needed for the different reporting units.

Multiple-Establishment

Multiple-establishment organizations assign a controlling unit code of 1 followed by a two-position, user-defined code unique to each multiple-establishment organization in the Employee Master File.

The reporting unit codes within the defined controlling unit have the same first three positions followed by a unit type of 3 for the headquarters, 4 for each establishment, or 5 for special reporting. The next three positions contain a unique, user-defined code for each of the reporting establishments.

The multiple-establishment setup corresponds to the Multiple Establishment-Headquarters, Multiple Establishment-Hiring Location, and Multiple Establishment-State Consolidated (MSC) check boxes for VETS-4212 Type of Form. If you consolidate reporting for a state, use a unit type of 5 for reporting the state's hiring locations' consolidated information, and do not use the three-position, user-defined code for reporting units.

Setting Up Unit Data

A single-establishment organization must have one set of controlling unit information.

A multiple-establishment organization must have one set of controlling unit information and one set of reporting unit information for each of the reporting units within a controlling unit.

Controlling unit information is defined in the HRMS Tables File using T64-001 through T64-107 transactions. Reporting unit information is defined in the HRMS Tables File using T65-001 through T65-017 transactions.

The following example shows how controlling unit information can be entered on a T64-001 transaction:

Position(s)	Field Name	Field Value
1-3	CODE NAME	T64
4-6	CODE REC	001
7-15	(not used in this example)	
16-22	Unit Code	1FR
23-80	(Not used in this example)	

This example shows how reporting unit information can be entered on a T65-001 transaction:

Position(s)	Field Name	Field Value
1-3	TRAN CODE	T65
4-6	MULTIPLE REC CODES	001
7	MAINT	A
8-15	RESERVED	
16-22	UNIT CODE	1FR3HQR
23-25	RESERVED	
26-80	(Not used in this example)	

Information Specific to EEO-1 Reporting

Establish controlling unit information in the HRMS Tables File using T64-001 through T64-005 transactions. This information corresponds to Section B.1 of Standard Form 100. The T64-001, T64-002, and T64-003 transactions are required.

If any of the required information is not found at report time, a message appears on an error page at the end of the report.

The T65-001 through T65-004 transactions are required for both single and multiple-establishment reporting units. The T65-013 through T65-017 transactions are also required for EEO-1 single-establishment reporting units. The information entered on these transactions corresponds to the information needed for Sections B.2, C, D (other questions E and G).

The D.1 Answer date entries used in the report come from the T65-003 transaction.

If any of this required information is not found when producing the reports, an error message will appear at the bottom of the reporting unit report and again on an error page following the reports.

Note: Error messages associated with T64 and T65 transactions indicate that the report is not valid for submission to EEOC. Therefore, review the error report and make corrections before submitting the report to EEOC.

For EEO-1 reporting, transactions T65-010 through T65-012 are used to enter the previous year totals that appear on line 11 of Section D - Employment Data on the EEO-1 report.

Information Specific to VETS Reporting

Establish controlling unit information in the HRMS Tables File using T64-001 through T64-107 transactions. This information is used to complete the Company Identification Information section of the VETS-4212 form. The T64-001, T64-002, and T64-003 transactions are required.

The T64-001 transaction allows you to enter a VETS controlling unit number different from the EEO-1 controlling unit number. If the VETS controlling unit number is left blank, the EEO-1 controlling unit number is used for both the EEO-1 report and the VETS-4212 form and electronic file.

Establish reporting unit information for VETS reporting in the HRMS Tables File using T65-001 through T65-006 and T65-012 transactions.

If you are required to file the VETS-4212 report, you must complete the T65-001 and T65-003 transactions. The NAICS number, DUNS number, and Employer ID number included on the report and electronic file come from these transactions. The D.1 date entries used in selecting employees for the report and the second date entry used as the Twelve Month Period Ending date come from the T65-003 transaction.

The T65-012 transaction identifies maximum and minimum employee counts reported on the VETS-4212 report.

Note: Review the error report and make corrections before submitting the report to EEOC.

VETS units with errors on the VETS-4212 report will not appear on the VETS-4212 electronic file.

Both EEO-1 and VETS Reporting

On the T64-002 and T65-002 transactions, the State field is a two-position field.

This table lists the assigned two-character postal abbreviation for each state in the United States of America (including the District of Columbia and Puerto Rico) according to Federal Information Processing Standard 5 (FIPS 5-1).

Name	Abbreviation
Alabama	AL
Alaska	AK
Arizona	AZ
Arkansas	AR
California	CA
Colorado	CO
Connecticut	CT
Delaware	DE
District of Columbia	DC
Florida	FL
Georgia	GA
Hawaii	HI
Idaho	ID
Illinois	IL
Indiana	IN
Iowa	IA
Kansas	KS
Kentucky	KY
Louisiana	LA
Maine	ME
Maryland	MD
Massachusetts	MA
Michigan	MI
Minnesota	MN
Mississippi	MS
Missouri	MO
Montana	MT

Name	Abbreviation
Nebraska	NE
Nevada	NV
New Hampshire	NH
New Jersey	NJ
New Mexico	NM
New York	NY
North Carolina	NC
North Dakota	ND
Ohio	OH
Oklahoma	OK
Oregon	OR
Pennsylvania	PA
Rhode Island	RI
South Carolina	SC
South Dakota	SD
Tennessee	TN
Texas	TX
Utah	UT
Vermont	VT
Virginia	VA
Washington	WA
West Virginia	WV
Wisconsin	WI
Wyoming	WY
Puerto Rico	PR

Setting Up Unit Statistics

This section shows how to set up unit statistics for EEO-1 and VETS reporting.

EEO-1 Reporting

This table shows the fields used at the employee level to generate EEO-1 reports:

Screen	Field
218, 220, 40	PAY CODE
208, 81	DATE CURRENT EMPLOYMENT
232, 81, 82	EEO EXEMPT STATUS
213, 82	OCCUPATIONAL CATEGORY
218, 221, 81	EEOC MINORITY CODE
213, 91	EMPLOYEE UNIT CODE
218, 221, 209, 81	SEX CODE

An employee is counted in the unit statistics EEO-1 reporting if the following criteria are met:

- Active
- Non-exempt from EEO reporting
- Employee unit code present and matches a reporting unit code defined in the HRMS Tables File
- Date of current employment less than reporting unit's reporting period end date
- Occupational category 01 - 10, 19
- Minority code W, B, HIS, AA, AI, HOP, TWO

Totals for invalid occupational categories, minority codes, and employee unit codes are listed on an error page at the end of the report.

VETS Reporting

This table shows the fields used at the employee level to generate the VETS-4212 report:

Screen	Field
208, 81	DATE-CURRENT-EMPLOYMENT
232, 81, 82	EEO-EXEMPT-STATUS
232, 81	FULL-TIME/PART-TIME CODE
213, 215, 91	VETS-4212 VETERAN-STATUS CODE
213, 82	OCCUPATIONAL CATEGORY
213, 91	EMPLOYEE-UNIT-CODE

An employee is counted in the unit statistics for **VETS-4212** reporting if the following criteria are met.

Criteria common to all report columns - A through D

- Not exempt from EEO reporting
- Employee unit code present and matches a reporting unit code defined in the HRMS Tables File
- Occupational Category 01 - 10
- Full-time/Part-time code 1 or 3
- VETS-4212 Veteran Status code 1 - 8

Criteria common to NUMBER OF EMPLOYEES columns - A and B

- Employee status is active
- Date of current employment is before or on the MM/DD/YY of the 12 month reporting period defined on the T65-003 transaction

Criteria common to NUMBER OF NEW HIRES columns C and D

- **Any** employee status value
- Date of current employment falls within the 12 month reporting period defined on the T65-003 transaction

Calculating W-2 Wages and Hours Worked for EEO-1 Reporting

This section describes the processes used to accumulate W-2 wages and hours worked for the 12-month period before creating your EEO-1 report. This information can be used in grouping employees on the EEO-1 report and providing required totals.

Wage Definition

The EEOC requires that the wages used for EEO-1 reporting be equal to the U.S. Federal W-2 wages. Therefore, the W-2 Wage Indicator on the TB transaction is used to determine the wages to accumulate. Before running the Mid-year or Year-begin EEO-1 wage accumulation process, verify that the W-2 Wage Indicator on the TB transaction correctly reflects the value to use to generate W-2s.

Hours Definition

The TF transaction is used to specify the hours to accumulate for EEO-1 reporting. Before running the Mid-year or Year-begin EEO-1 hours accumulation process, verify that the TF transaction references the hours to use on your EEO-1 report.

Mid-year Process

This process is used to calculate the Part 2 wages and hours to include on the EEO-1 report. The Mid-year process for calculating these values should be performed for the pay period that your company elects to use for the current year's EEO-1 report. To accumulate 12 months of wage and hour data for your EEO-1 reports, we recommend that you choose a pay period that includes the same day each year (for example, the pay period that includes August 1st)

1. Verify that the W-2 Wage Indicator on the TB transaction correctly reflects the value to used to generate W-2s.

2. Verify that the TF transaction specifies the hours to use on your EEO-1 report.
3. Enter **E** in the Special Processing Indicator on the AA transaction.
4. Execute, Load, Validate, Update, and Compute. This process can be run either with your normal payroll or off-cycle.

The result of this process is that the employee's year-to-date wages and hours defined on the TB and TF transactions will be accumulated in the Part 2 EEO-1 fields on the 202 segment of the Employee Master File. The values will include the current pay cycle wages and hours if the employee was paid. The Part 2 EEO-1 year will be equal to the AA Run Date Year.

Year-begin Process

This process is used to calculate the Part 1 wages and hours to include on the EEO-1 report. The Part 1 wages will be calculated when you run your first pay cycle of the year to clear the previous year's values on the Employee Master File.

1. Verify that the W-2 Wage Indicator on the TB transaction correctly reflects the value to used to generate W-2s.
2. Verify that the TF transaction specifies the hours to use on your EEO-1 report.
3. Enter **Y** in the Clear To Date field on the AA transaction.
4. Execute, Load, Validate, Update, and Compute. This process can be run either with your normal payroll or off-cycle.

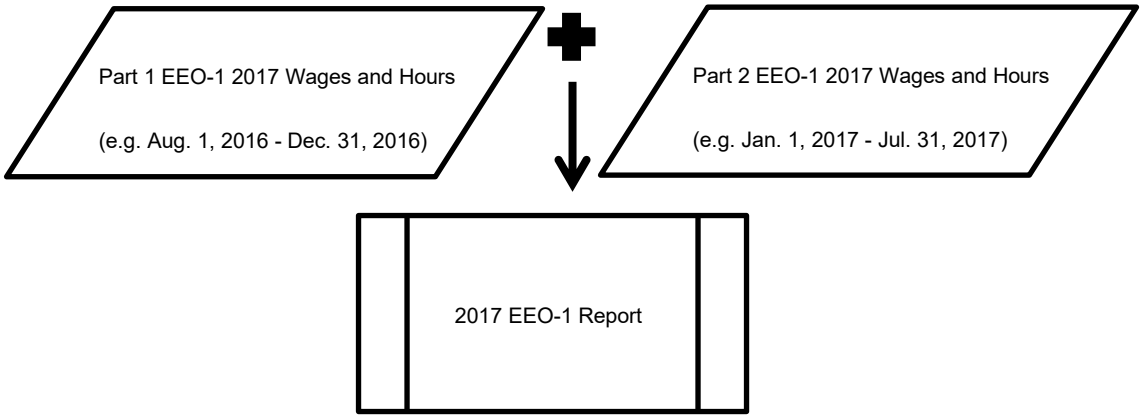
The employee's total year-to-date wages and hours as defined on the TB and TF transactions will be accumulated **before** Year-to-Date Clear is performed. The Part 2 EEO-1 wages and hours that were calculated mid-year are subtracted from the YTD accumulation. The result is that the wages and hours paid in the second part of the year, after running your EEO-1 report are stored in the Part 1 EEO-1 fields on the 202 segment of the Employee Master File. The Part 1 EEO-1 year will be equal to the AA Run Date Year if the AA Run Date Month is January through June. If the AA Run Date Month is July through December, the Part 1 EEO-1 year will be equal to the AA Run Date Year + 1.

Wages and Hours on the EEO-1 Report

This table shows the wage and hour fields that must be updated at the employee level to generate the EEO-1 report. If necessary, the EEO-1 Part 1 and Part 2 fields can be updated manually using the SB transaction.

Screen	Field
49	EEO-1 PART 1 YEAR
49	EEO-1 PART 1 WAGES
49	EEO-1 PART 1 HOURS
49	EEO-1 PART 2 YEAR
49	EEO-1 PART 2 WAGES
49	EEO-1 PART 2 HOURS

When wages and hours for the previous 12-month period are required to be included on the EEO-1 report, the Part 1 and Part 2 values are added together.



Generating the EEO-1 and VETS Reports

Requirements set forth by the Equal Employment Opportunity Commission and the Office for Veterans Employment and Training make it necessary to accumulate statistics across level 1 - level 2 boundaries for the EEO-1 and VETS-4212 reports. This is different from the normal execution of any standard personnel reports. To execute these reports, two alternatives are identified.

- The major sequence option on the PA-1 transaction must be set to 0. It is also necessary to enter **** in the level 1 - level 2 areas of the transactions. This allows the sequencing to be done by the units and bypasses the normal level 1 - level 2 sequencing.
- Specify the level 1 and use ** for the level 2 on the same transactions.

As these are the only reports requiring this selection, it is best to use the Personnel Control Card Load and Edit as an override and not update the 160 segment of the Employee Master File. Along with the PA-1, the P1 and P2 are required in the override process.

The following reports do not work when the major sequence option is equal to zero if there is duplication of employee numbers across level 1 - level 2:

- Profile 1
- Profile 2
- Profile 3
- Human Resource Profile
- Benefits Profile
- Benefits Demographic Plan Analysis
- Benefits Notification Report

Producing VETS Electronic Files

To produce the VETS-4212 electronic file, complete the following procedure:

Step	Action
1	As needed, acquire the following VETS reporting instructions for the appropriate reporting year from the Department of Labor: Instructions for Electronic Submission of VETS-4212 Reports
2	Check your HRMS Tables File T65-003 record to be sure your Employer ID Number and DUNS Number are set up. If you have not been assigned a DUNS Number, zero fill the DUNS Number field on the T65-003 transaction, or leave it blank. **Note:** For a DUNS number with fewer than nine digits, add zeros in front of the number until it has 9 digits.
3	Execute the Personnel Report Generate and Print programs. The VETS option in position 46 of the P2 and PB transactions is for the VETS-4212 form and electronic file.
4	From the execution of Personnel Print (PLR700), save the PW750 file.
5	Use this sequential file as input for the Regulatory Reporting XML/CSV File utility (PL6000) to use to create the VETS-4212 file in CSV format.
6	Copy the file produced by PL6000 to the appropriate location on your PC.

Canadian Regulatory Reporting

Canadian Employer Tax Summary

This report provides both federal and provincial tax information produced by PPR472. (The Tax Distribution Summary produced by PPR408 is for U.S. organizations only.) The report includes information as listed in the following table:

Canadian Regulatory Reporting					
Information	**Totals/Report**	**Current**	**MTD**	**QTD**	**YTD**
Gross Taxable Income	Organization Federal	✓	✓	✓	✓
	T4 for each province	✓	✓		✓
	T4A for each EI rate code				✓
	Relevé1	✓	✓		✓
	Relevé 2				✓
Income Tax Withheld	Organization Federal	✓	✓	✓	✓
	T4 for each province	✓	✓		✓
	T4A for each EI rate code	✓			✓
	Relevé 1	✓	✓		✓
	Relevé 2	✓			✓
No Employees Paid	Organization federal	✓	✓	✓	✓
	T4 for each province	✓	✓		✓
	T4A for each EI rate code				✓
	Relevé 1	✓	✓		✓
	Relevé 2				✓
EI Deductions (Employee and Employer)	Organization federal	✓	✓	✓	✓
	T4 for each province	✓	✓		✓
EI rate to calculate employer portion	T4 for each province	✓	✓		✓
CPP Deductions	Organization Federal	✓	✓	✓	✓
	T4 for each province	✓	✓		✓
QPP Deductions	Organization Federal	✓	✓	✓	✓
	T4 for each province	✓	✓		✓
QPIP Insurance (Employee and Employer)	Organization federal	✓	✓	✓	✓
	Relevé 1 for each province	✓	✓		✓
QPIP rate to calculate employer portion	Relevé 1 for each province	✓	✓		✓

Canadian Employment Equity Reports

The Government of Canada has passed into law Bill C-62, an Act addressing employment equity. The purpose of this Act is to achieve equality in the workplace so that no person shall be denied employment or benefits for reasons unrelated to ability.

As stated in the Act, employers who must file include "any person who employs one hundred or more employees on or in connection with a federal work, undertaking, or business as defined in section of the Canada Labour Code…". Each organization must verify for itself whether it is affected by this act. Detailed definitions can be found in the Act in the section labeled Interpretation.

The Employment Equity reports are due on or before June 1 and cover the immediately preceding calendar year. These reports (Form 1 through Form 6) can be generated using Information Expert. To produce the Employment Equity Act (EEA) reports, you will need your previous year's year-end Employee Master File.

It is recommended that you obtain a current copy of Bill C-62, including Regulations and Schedules, and the Employer's Handbook, Reporting on Employment Equity. These documents, which you can obtain from the Employment Equity Branch of Employment and Immigration Canada, will provide you with the information necessary to determine if you are required to file Employment Equity reports and will further define expressions used in the Act.

Employees can be grouped across level 1 - level 2s for reporting purposes by reporting unit. A reporting unit is a six-position, user-defined code established in the HRMS Tables File with a T69-001 transaction. All reports exclude any employee whose reporting unit is blank. While level 1 - level 2s are generally used to group employees for Payroll and Personnel purposes, the reporting unit code is used to group employees for EEA reporting. This way employees in many different level 1 - level 2s can be grouped.

The value entered in the HRMS Tables File is used to validate the reporting unit that is entered on the Screens 231 or 93. The T69-001 transaction is also used to enter the Employer's legal name, business name, language indicator and peak period date for the reports. The Language indicator is used to determine whether to produce the reports in English or French. The peak period date is the peak employment date for temporary employees in your organization.

The T69-002 through T69-007 transactions are the remaining transactions used to enter static information about your organization that is necessary to produce the reports.

Employees are reported by industrial sector. The industrial sector code is entered on the T69-008 transaction. The code is user defined. However, the description must be taken from the Items, Industrial Classifications, and Industrial Group descriptions (Column II) in Schedule IV of the Employment Equity Act and Reporting Requirements.

For example, you enter **0802C** in the Industrial Sector Code field on the T69-008 with the English description **Water Systems Industry**. These values are used to validate employee information entered on Screen 231 or the PG-9 transaction. If the code entered is consistent with what has been entered in the HRMS Tables File, it will be accepted. A code entered as **0802 C** would not be accepted.

On some EEA reports, employees are reported in one of twelve occupational groups. The T69-009 transaction is used to update the HRMS Tables File with Standard Occupational Categories (SOC) applicable to your organization. A list of SOC codes can be found in Schedule III of the Employment Equity Act and Reporting Requirements. Enter the appropriate codes and descriptions on the T69-009 transaction. For use in the I.E. EEA reports, the SOC code is translated by a subroutine into its matching occupational group (1 of 12).

If you do not want to maintain SOC information, you can enter only 12 T69-009 transactions with the values 1 through 12 (for the 12 occupational groups) and their descriptions. You would then also enter only the values 1 through 12 on Screen 231 or PG-9 transaction for your employees, and you would need to modify the I.E. reports.

This table lists the 16 Information Expert (I.E.) EEA reports:

Report Name	Description
HR-EEA-FORM-1	Employer Identification, Report Summary and Certification of Accuracy
HR-EEA-FORM-2-PART-A	Occupational Groups: Full-time Employees
HR-EEA-FORM-2-PART-B	Occupational Groups: Part-time Employees
HR-EEA-FORM-2-PART-C	Occupational Groups: Temporary Employees
HR-EEA-FORM-3-PART-A	Salary Summary: Full-time Employees
HR-EEA-FORM-3-PART-B	Salary Summary: Part-time Employees
HR-EEA-FORM-3-PART-C	Salary Summary: Temporary Employees
HR-EEA-FORM-4-PART-A	Full-time Employees Hired
HR-EEA-FORM-4-PART-B	Part-time Employees Hired
HR-EEA-FORM-4-PART-C	Temporary Employees Hired
HR-EEA-FORM-5-PART-A	Full-time Employees Promoted
HR-EEA-FORM-5-PART-B	Part-time Employees Promoted
HR-EEA-FORM-5-PART-C	Temporary Employees Hired
HR-EEA-FORM-6-PART-A	Full-time Employees Terminated
HR-EEA-FORM-6-PART-B	Part-time Employees Terminated
HR-EEA-FORM-6-PART-C	Temporary Employees Terminated

Form 1 must be produced first and is produced for each reporting unit. The output of this report will be used to determine how many of the remaining reports to produce. A corporate peak period date is entered as a run-time variable. If your corporate peak period date and temporary peak date are the same, you do not need to enter the run-time variable; the report series will use the date from the T69-001 transaction in the HRMS Tables File.

Employees are included in the counts for Industrial Sector and geographic area if they were employed on the corporate peak date. Positions 10, 11, 12, and 13 contain counts for the four largest Industrial Sectors in a reporting unit. All employees are counted in the sector to which they are assigned and only if they were employed on the corporate peak date.

Position 14 contains counts of all permanent full-time employees who were active or inactive on December 31. Position 15 contains the number of permanent part-time employees who were active or inactive on December 31. Position 16 contains the number of temporary employees employed on the temporary peak date.

Position 17 contains, by CMA, the total of all employees who were employed on the corporate peak date. Position 18 contains totals, by province and territory, of all employees who were employed on the corporate peak date. If the EEA work province from the 619 segment is not found, the report defaults to the employee's federal taxing authority province on the 206 segment. Position 19 contains the total of all of the values in positions 10, 11, 12, and 13. This value represents the total of all employees in the reporting unit, employed on the corporate peak date.

The last page of this form is not part of the required EEA reports, but it includes a narrative of instructions for producing the remaining reports. You must also carefully read through each report series before running it. Each series contains comments in flowerboxes to indicate what the I.E. commands are accomplishing or the actions you must take such as entering run-time variables or selects.

Forms 2 through 6 contain information on the degree of representation of persons in designated groups (defined as "women, aboriginal peoples, persons with disabilities, and persons who are, because of their race and color, in a visible minority in Canada") in the following categories:

- The industrial sector in which employees of the employer are employed
- The occupational groups of the employer
- The salary ranges of the employees
- The number of employees hired, promoted, and terminated

The employment status counts for permanent employees include active and inactive employees and exclude pensioners. Temporary employees are determined by their full-time/part-time code and an interrogation of their 30 User/EEA dates. For more information, see the *Transaction Descriptions* guide. Part C of each form is optionally required. For requirements, please see the Act.

Most report series contain at least two report requests: one for a national report and one for a provincial report. The national report is for all employees. It is sorted by reporting unit and industrial sector. Based on the output of Form 1 you determine which provincial reports are required. The provinces to report on must be entered as a run-time select within the provincial report request.

Also, Form 2 includes a CMA report request. This report is produced for each CMA that has been entered as a run-time select. Forms 2, 4, 5, and 6 include a Warnings report. This report lists employees who do not have a valid SOC (Standard Occupational Classification) code.

A subroutine called HR-TRANSLATE-PROVINCE-CODE expands the province/territory code into a description that is printed on the province reports.

Subroutine HR-GROUP-CANADIAN-OCCUPATION matches the employee's SOC code to 1 of 12 occupational groups. If the employee's SOC code does not match an occupational group, the employee appears on the Warnings report.

HR-TRANSLATE-CMA-CODE is used to translate the CMA code into its appropriate description to print on the reports.

HR-FORM-2-SALARY-RANGES-SUB translates an employee's salary to one of several groupings for use on Form 2.

For more information about run statements for the reports, see the *Reports Guide*.

7 Labor Distribution

Chapter Contents

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7-2 Labor Distribution Reports
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Introduction

This chapter describes the

- Function of the Labor Distribution Reporting subsystem
- Associated processing required in the Payroll system
- Control options related to both.

Because of the flexible nature of the Labor Distribution Reporting subsystem, you should have a general understanding of the concept before you select control and processing options. Many of these options are interrelated; you cannot select these options independently.

Labor Distribution Reports

The Labor Distribution Reporting subsystem is designed to maintain and report the following information:

Dollars

Earnings

- Regular
- Overtime
- Each category of other earnings

Employer Taxes

- U.S. FICA/Medicare
- U.S. FUI
- U.S SUI by State
- Canada Employment Insurance combined with QPIP Insurance
- Canada Pension Plan
- Quebec Pension Plan
- Quebec Medicare

Employer-Paid Benefits

Type H DOEs in Payroll system, by DOE code

Hours

- Regular
- Overtime
- Each Category of Special Hours

Associated Hours

In relation to regular earnings, overtime earnings, and each category of other earnings.

Associated Earnings

In relation to regular hours, overtime hours, and each category of special hours.

Sources of Input

Labor Distribution Reporting derives its input from two sources:

- A Combined Labor Distribution/General Ledger Interface file generated by the Compute program
- Manual LA through LN transactions

Combined Labor Distribution/General Ledger Interface File

To generate the Combined Labor Distribution/General Ledger Interface file, the following options must be activated:

- The TL record must be found on the HRMS Tables file. The option on this record allows you to specify that information on the Labor Distribution Master file is summarized and maintained either by levels or by employee.
- Other Payroll/Labor Distribution options are contained in the S1-1 batch organization transaction, which is defined on Screen 10 (US) or Screen 8 (Canada).

Screen 10 (US)

```
ACTION: ____  CURR: 10   NEXT: 11
    L1: AA  L2: BB                      EFF DATE: ________
                                                 LEVEL DESC    NORMAL HOURS
     NAME: ____________________________ LEVEL 1: __________   WEEKLY: _______
SUB-TITLE: ____________________________ LEVEL 2: __________  BI-WKLY: _______
   ADDR-1: ____________________________ LEVEL 3: __________  SEMI-MO: _______
   ADDR-2: ____________________________ LEVEL 4: __________  MONTHLY: _______
     CITY: _____________________________ LEVEL 5: __________      VAC: _______
    STATE: __   ZIP CODE: _____ - ____

   SHIFT-1: _ _____       ACCR CD- VAC SICK            BANK DATA
   SHIFT-2: _ _____        WEEKLY:  _   _        NAME: ____________________
   SHIFT-3: _ _____       BI-WKLY:  _   _        ADDR: ____________________
   SHIFT-4: _ _____       SEMI-MO:  _   _     ROUTING: ________ ________
                          MONTHLY:  _   _        CODE: _________
                                                 LABOR DISTRIBUTION OPTIONS
                                              GEN TRANS: _    PRT ADJ MSG: _
                                              GEN HDR 2: _  ADJ DIST OPT: _
                                             GEN PR ADJ: _
                                                   PR ADJ DISTRIBUTION
                                                   ____________________
                                                GEN FICA: _     GEN TYPE-H: _
                                                 GEN FUI: _     GEN OTH-ER: _
                                                 GEN SUI: _
```

Screen 8 (Canada)

```
ACTION: ____  CURR: 8    NEXT: 9
    L1: TN  L2: RA                     EFF DATE: _________  COUNTRY: C
                                                   LEVEL DESC    NORMAL HOURS
     NAME: SYSTEM TEST ORG TNRA          X LEVEL 1:               WEEKLY:
SUB-TITLE: US COMBINED, 1099R ONLY       X LEVEL 2:              BI-WKLY:
   ADDR-1: FILL SPACE TO USE THIRTY CHARS LEVEL 3:              SEMI-MO:
   ADDR-2: FILL SPACE TO USE THIRTY CHARS LEVEL 4:              MONTHLY:
CITY/PROV: FILL SPACE TO US               LEVEL 5:                  VAC:
POSTAL CD: 23 CHGA

  SHIFT-1: 0            ACCR CD- VAC SICK            BANK DATA
  SHIFT-2: 0             WEEKLY:  0   0        NAME:
  SHIFT-3: 0            BI-WKLY:  0   0        ADDR:
  SHIFT-4: 0            SEMI-MO:  0   0     ROUTING:
                        MONTHLY:  0   0        CODE:
                                              LABOUR DISTRIBUTION OPTIONS
                                            GEN TRANS: 4   PRT ADJ MSG: 2
                                            GEN HDR 2: 1  ADJ DIST OPT: 1
                                           GEN PR ADJ: 1
                                                 PR ADJ DISTRIBUTION

                                              GEN CPP: 3    GEN TYPE-H: 3
                                               GEN QM: 1    GEN OTH-ER: 2
                                              GEN UIC: 2
```

Labor Distribution Reporting Options

The following options are available for Labor Distribution Reporting. Enter these options on Screen 10 or 8 or through batch processing.

General Rules

If...	Then the...
The Labor Distribution options are selected when an organization (L1L2) is initially being added to the Master File (Action Code = ADD or ADDW)	System will assume the option's reset value.
The Labor Distribution options are established after a L1L2 is already set up (maintenance processing) and no selection were previously defined	Option's value will be its reset value.
The Labor Distribution options are already defined and no entry is made to the option	Value of the field will not change.

For field reset values, see the *Transaction Descriptions* guide.

Generate Labor Distribution Transactions

This option specifies, by Level 2, how the system generates Labor Distribution detail transactions.

Code	Description
1	Do not generate Labor Distribution detail transactions.
2	Generate Labor Distribution detail transactions for Earnings (all categories) Employer U.S. FICA Employer U.S. Medicare Employer U.S. FUI Employer U.S. SUI by State Employer Canada EI/QPIP Employer Canada Pension Plan Employer Quebec Pension Plan Employer Quebec Medicare Employer Paid Benefits by DOE number

(continued)

Code	Description
3	Generate Labor Distribution detail transactions for all hours reported through the system.
4	Generate Labor Distribution detail transactions for Earnings (all categories) Employer U.S. FICA Employer U.S. Medicare Employer U.S. FUI Employer U.S. SUI by State Employer Canada EI/QPIP Employer Canada Pension Plan Employer Quebec Pension Plan Employer Quebec Medicare Employer Paid Benefits by DOE code Hours (all categories)
R	Reset to 1, which indicates that Labor Distribution detail transactions are not generated.
blank	Indicates no change to this field.

Generate Labor Distribution Header Information for Level Descriptions and Accrual Parameters

The following codes are available for this option:

Code	Description
1	Do not generate level descriptions and accrual parameters.
2	Generate level descriptions only.
3	Generate accrual parameters only (does not apply unless the General Ledger Interface is included).
4	Generate level descriptions and accrual parameters (does not apply unless the General Ledger Interface is included).
R	Reset to 1, which indicates that level descriptions and accrual parameters are not generated
blank	Indicates no change to this field.

Generate Labor Distribution Detail Transactions for Payroll Adjustments, Prepays, and Reversals

The following codes are available for this option:

Code	Description
1	Do not generate Labor Distribution detail transactions for payroll adjustments, prepays, and reversals.
2	Generate Labor Distribution detail transactions for payroll prepays and reversals only.
3	Generate Labor Distribution detail transactions for payroll adjustments, prepays, and reversals.
R	Reset to 1, which indicates that Labor Distribution transactions for payroll adjustments, prepays, and reversals are not generated. If the option chosen indicates that Labor Distribution detail transactions are generated, the period codes in the individual payroll adjustment transactions (YA - YN) must be the same for the entire set. For example, if you enter a YA and YE transaction with a period code of M and adjustment code of A, Labor Distribution detail transactions are generated. However, if you enter a YA transaction with a period code of 1 and an adjustment code of A, and a YE transaction with a period code of Q and an adjustment code of A, Labor Distribution detail transactions are not be generated because the period codes are different.
blank	Indicates no change to this field.

Print Message on Compute Activity Report for Payroll Adjustment, Prepays, and Reversals for which Labor Distribution Detail Transactions are Not Generated

The following codes are available for this option:

Code	Description
1	Always print a message when a payroll adjustment, prepay, or reversal does not generate Labor Distribution detail transactions.
2	Never print a message when a payroll adjustment, prepay, or reversal does not generate Labor Distribution detail transactions.
R	Reset to 2, which indicates that a message is not printed when a payroll adjustment, prepay, or reversal does not generate Labor Distribution detail transactions.
blank	Indicates no change in this field.

Use Distribution Controls for Payroll Adjustments, Prepays, and Reversals

The following codes are available for this option:

Code	Description
1	Use the home distribution controls on the Employee Master file.
2	Use the automatic salary splits on the Employee Master file.
3	Use the distribution controls entered for this Level 2 on Basic Company Information screen (10/8, PR ADJ Distribution).
R	Reset to 1, which indicates the use of the home distribution controls on the Employee Master file.
blank	Indicates no change to this field.

Distribution Controls (Level 3 - Level 6) for a Level 2 for Adjustments, Prepays, and Reversals

Code	Description
	Enter the 22 positions, or portions used, if the prior option had a code of **3**.
R	**R** in the left-most position of this field indicates a reset to blanks.

Distribution Option for Employer-Paid FICA and Medicare Transactions

This option lets you specify, by Level 2, how the system generates employer-paid FICA and Medicare transactions and the distribution controls to use when generating the FICA and Medicare transactions.

This option applies only when the generate labor detail option is 2 or 4.

The following codes are available for this option:

Code	Description
1	Do not generate FICA and Medicare transactions.
2	Generate FICA and Medicare transactions with the home controls in the Employee Master file.
3	Generate FICA and Medicare transactions with the time entry transaction (ZT or ZV or both) controls or the automatic salary split controls in the Employee Master file or both.
R	Reset to 3, which indicates that FICA and Medicare transactions are generated with the time entry transaction or automatic salary split controls or both.
blank	Indicates no change to this field.

Distribution Option for Employer Paid FUI Transactions

This option lets you specify, by Level 2, if the Payroll system generates employer-paid FUI transactions and the distribution controls to use when generating the FUI transactions.

This option applies only when the generate labor detail option is 2 or 4.

The following codes are available for this option:

Code	Description
1	Do not generate FUI transactions.
2	Generate FUI transactions with the home controls on the Employee Master file.
3	Generate FUI transactions with the time entry transaction (ZT or ZV or both) controls or the automatic salary split controls on the Employee Master file or both.
R	Reset to 3, which indicates that FUI transactions are generated with the time entry transaction or automatic salary split controls or both.
blank	Indicates no change in this field.

Distribution Option for Employer-Paid SUI Transactions

This option lets you specify, by Level 2, if system generates employer-paid SUI transactions and the distribution controls to use when generating SUI transactions.

This option applies only when the generate labor detail option is 2 or 4.

The following codes are available for this option:

Code	Description
1	Do not generate SUI transactions.
2	Generate SUI transactions with the home controls on the Employee Master file.
3	Generate SUI transactions with the time entry transaction (ZT or ZV or both) controls or the automatic salary split controls on the Employee Master file or both.
R	Reset to 3, which indicates that SUI transactions are generated to the time entry transaction or automatic salary split controls or both.
blank	Indicates no change in this field.

Distribution Option for Employer-Paid Deduction Transactions

This option lets you specify, by Level 2, if the system generates employer-paid deduction transactions and the distribution controls to use when generating deduction transactions.

This option applies only when the generate labor detail option is 2 or 4.

The following codes are available for this option:

Code	Description
1	Do not generate deduction transactions.
2	Generate deduction transactions with the home controls on the Employee Master file.
3	Generate deduction transactions with the time entry transaction (ZT or ZV or both) controls or the automatic salary split controls on the Employee Master file or both.
R	Reset to 3, which indicates that deduction transactions are generated to the time entry transaction or automatic salary split controls or both.
blank	Indicates no change in this field.

Distribution Option for Other Earnings Transactions

This option lets you specify, by Level 2, if the system generates other earnings transactions and the distribution controls to use when generating the other earnings transactions.

This option applies only if the generate labor detail option is 2 or 4.

The following codes are available for this option:

Code	Description
1	Do not generate other earnings transactions.
2	Generate other earnings transactions with the home controls on the Employee Master file.
3	Generate other earnings transactions with time entry transaction (ZT or ZV or both) controls or automatic salary split controls on the Employee Master file or both.
R	Reset to 3, which indicates that other earnings transactions are generated to the time entry transaction or automatic salary split controls or both
blank	Indicates no change in this field

Generating Labor Distribution Detail Transactions

Compute Program

As it is processing payroll adjustment, prepays, and reversal transactions, the Compute program determines whether the master record created for those transactions results in the generation of Labor Distribution detail transactions. This decision is governed by the Labor Distribution options on Screen 11(US) or Screen 8 (Canada).

If Labor Distribution details are generated, the Compute program sets the Adjust Labor indicator in the master record created for the adjustment, prepay, or reversal transaction to the period code entered on that set of transactions.

If the adjustment, prepay, or reversal transaction does not result in the generation of Labor Distribution detail, the Compute program sets the Adjust Labor indicator in the master record to asterisk (*).

Compute generates the Labor Distribution detail transactions for current period checks. This is accomplished using the time entry transactions, automatic pay, and automatic salary splits as necessary. Detail transactions for adjustments, prepays, and reversals are generated from the master record based on the Adjust Labor indicator and the options specified on Screen 11 (US) or Screen 8 (Canada).

Labor Distribution Detail Transaction Generation Process

The output of the generation process can be divided into four categories:

- Generation of organization header transactions
- Generation of earnings detail transactions
- Generation of hours detail transactions
- Generation of organization expense detail transactions

Category Descriptions

Generation of Organization Header Transactions

The system creates header transactions for the following organization data elements:

- Organization name and subtitle
- Run date, period-end dates, and check dates
- Special hours descriptions
- Accrual parameters based on Screen 11(US) or Screen 8 (Canada) options
- Level 1 through Level 5 descriptions

Generation of Earnings Detail Transactions

The system generates detail transactions for all earnings reported except:

- Memo type 8, other earnings
- Earnings paid through entry of an R9 or V9 time transaction
- Other earnings categorized as Tips, Tip Credit, or Earned Income Credit by the DOE types entered on the HRMS Tables File

The program handles the generation of Labor Distribution earnings detail for current period checks differently from adjustments, prepays, and reversals.

Current Period Checks. As the time entry transactions or automatic pay and other earnings or both are processed, the program generates the detail transactions for earnings distribution. The transactions contain the earnings amount, associated hours, and distribution controls from the Employee Master file, or as specified by automatic salary splits, or in the time entry transaction itself.

The appropriate controls and associated earnings are also saved for future organization expense processing.

Adjustments, Prepays, and Reversals. When the Compute program is processing the adjustment, prepay, or reversal master record, it accesses each earnings field and generates a detail transaction for each one. The program assigns the distribution controls as specified by the option on Screen 11 (US) or Screen 8 (Canada).

The appropriate controls and earnings amounts are saved for future organization expense processing.

Generation of Hours Detail Transactions

The system generates detail transactions for all hours reported except:

- Sick available hours
- Vacation available hours

The program handles the generation of hours detail for current period checks differently from adjustments, prepays, and reversals.

Current Period Checks. As the time entry transactions or automatic pay are processed, the program generates the detail transactions for hours distribution. The transactions contain the number of hours, associated earnings, and distribution controls from the Employee Master file, or as specified by automatic salary splits, or in the time entry transaction itself.

Adjustments, Prepays, and Reversals. When the Compute program is processing the adjustment, prepay, or reversal master record, it accesses the hours fields and generates a detail transaction for each one. The program assigns the distribution controls as specified by the option on Screen 11 (US) or Screen 8 (Canada).

Generation of Organization Expense Detail Transactions

The generation of organization expense detail transactions takes place at a different processing point in the program, depending on whether a current check is being calculated or an adjustment, prepay, or reversal master record is being handled.

Current Period Checks. Following the calculation of all earnings, taxes, and deductions for the current check, the program calculates and generates the Labor Distribution organization expense detail transactions in the manner described later in this section.

Adjustments, Prepays, and Reversals. Immediately after the generation of Labor Distribution hour detail transactions, the program calculates and generates the Labor Distribution organization expense detail transactions in the manner described in the following section.

The program, using the detail earnings and distribution control information saved at the time the Labor Distribution earnings detail transaction was generated, performs the following steps:

Step	Action
1	Calculates the percentage the earnings in the detail transaction represents in comparison to the total gross earnings for the check or adjustment, prepay, or reversal master record.
2	Calculates each category of organization expense by distribution control, multiplying the total amount of the expense being processed by the appropriate distribution percentage calculated in the first step.
3	Generates the Labor Distribution organization expense detail transaction using the result of the calculation in the second step as the transaction amount and assigns the appropriate distribution controls.

Labor Distribution Detail Transaction Codes

The transaction code generated in a distribution detail transaction contains three elements: transaction number, transaction suffix, and transaction indicator. These elements are assigned as follows:

Code	Suffix	Indicator		Description
1011	Constant Zeros	Earnings Code:		Gross Payroll
		(blank) A	Regular Earnings	
		(blank) B	Overtime Earnings	
		DOE Code	Other Earnings	
2011	Constant Zeros	FICA		Employer FICA
2011	Constant Zeros	MED		Employer Medicare
2021	Constant Zeros	00000		Employer FUI
2031	Constant Zeros	SCC Code		Employer SUI
2041	Constant Zeros	DOE Code		Employer Paid DOE
2251	Constant Zeros	00000		Employer Paid Quebec Medicare*
2271	Constant Zeros	00000		Employer Paid CPP*
2281	Constant Zeros	00000		Employer Paid QPP*
2291	Constant Zeros	00000		Employer Paid EI plus QPIP*
8011	Constant Zeros	Hours Code:		Hours Paid
		(blank) A	Regular Hours	
		(blank) B	Overtime Hours	
		Hours Code	Other Hours (01 - 90)	

*Canadian Organizations Only
(blank) = blank space

Labor Distribution Direct Input

To process Labor Distribution Reporting, only the L* transaction is required. This transaction activates a series of run control parameters that you can use to choose the functions to process during a run.

L* Transactions

Labor Distribution requires the following information:

- Transaction code in positions 1 and 2, constant L*
- Blanks in positions 3 through 20
- Report date in positions 21 through 26

The date must be entered in YYMMDD format or as ******4** to designate use of the current system date at the time of processing.

L* Transaction Options

The following options are available in the L* transaction.

Labor Distribution Master File Presence

This option tells Labor Distribution whether to process the input Labor Distribution Master file and create the output Labor Distribution Master file.

This option allows you to run temporary update runs and additional report runs without creating the Labor Distribution Master file.

The following codes are available for this option:

Code	Description
blank	Process an input master file and create an output master file.
1	Do not process an input master file and create an output master file.
2	Process an input master file and do not create an output master file.
3	Do not process an input master file and do not create an output master file.

Examples of the use of this option follow:

- During the initial conversion run, or at any time you want to start a new master file, enter **1** in this field. This tells the system there is no input master file; create an output master file.
- To run additional reports between update runs, enter **2**. This tells the system to process an input master file; do not generate an output master file.
- To use the delete option on the LA transaction, this option is blank.

Labor Distribution/GLI Payroll Details File Presence

This option tells Labor Distribution whether to process the Labor Distribution/General Ledger Interface Payroll file (PWP190) during the run.

This option allows you to process Validate and Update runs with transactions only.

The following codes are available for this option:

Code	Description
blank	Process the Labor Distribution/GLI Payroll Details file.
*	Do not process a Labor Distribution/GLI Payroll Detail file.

Examples of the use of this option follow:

- An incorrect Level 3 in payroll input causes the Labor Distribution charges to be incorrectly assigned. Rather than rerun the Payroll or Labor Distribution, you can elect an additional update run to reverse the incorrect Level 3 assignments and charge the correct Level 3.

  Because you are not posting payroll detail, enter * in this field. This tells the system not to process a Labor Distribution/GLI Details file.
- Period-end adjustments to Labor Distribution that do not require adjustments to Payroll can be processed as indicated in the first example.
- When the volume of Labor Distribution transactions to use as input increases the degree of error, multiple Edit and Validate runs can be appropriate. In this case, enter * in this field to indicate not to process a Labor Distribution/GLI Payroll Details file. See transaction L* options for Edit, Validate, and Update found later in this section.

Transaction Detail Presence

This option tells Labor Distribution that there are no (LA-LN, XA-XV) transactions for this run. If transactions other than the L* are entered, they will be rejected.

This option allows you to control who inputs transactions for updating purposes by allowing only specific runs to have transactions as input.

The following are available codes for this option:

Code	Description
blank	Transactions present
*	Transactions are not present

Edit Transactions

This option tells Labor Distribution whether to run the Edit module during a run. It allows you to bypass the Edit function if the run being processed does not require editing transactions.

The following codes are available for this option:

Code	Description
blank	Run Edit.
*	Do not run Edit.

Print Valid Edit Detail

This option tells Labor Distribution if valid transactions are printed on the Edit Report. It allows you to maintain an audit trail of all input transactions, or errors only.

The following codes are available for this option:

Code	Description
blank	No, print errors only
*	Yes, print valid edited transactions

Select, Reformat Transactions

This option tells Labor Distribution whether to run the Select and Reformat function during a run. It allows you to bypass the Select and Reformat function if the run being processed does not require payroll detail and transactions.

The following codes are available for this option:

Code	Description
blank	Yes, select and reformat.
*	No, do not select and reformat.

An example use of Edit, Select, Format, and Validate Transactions options is to choose to run Edit. Validate runs and saves the corresponding combined transactions until satisfactory results are obtained and the actual update can be processed.

In this case, the Edit, Select, Reformat, and Validate options are blank.

When the update run is processed, you enter * in these fields to indicate the function is not needed during this run.

Validate Transactions

This option tells Labor Distribution whether to process the Validate function during this run.

This option, like the Edit Transactions and Select, Format Transactions options, lets you request runs for the functions needed.

The following codes are available for this option:

Code	Description
blank	Yes, validate transactions
*	No, do not validate transactions

Update Master

This option tells Labor Distribution whether to process the Update Master function during this run.

This option, like the Edit, Select, Format, and Validate Transactions options, lets you request runs for the functions needed.

The following codes are available for this option:

Code	Description
blank	Yes, update master file.
*	No, do not update master file.

Generate Basic Report Data

This option tells Labor Distribution whether to process the Generate Basic Report Data function during this run.

This option, like the Edit, Select, Format, and Validate Transactions options, lets you request runs for the functions needed.

The following codes are available for this option:

Code	Description
blank	Yes, generate basic report data
*	No, do not generate basic report data

Generate Special Reports

This option is not active.

Print Basic Reports

This option tells Labor Distribution whether to process the Print Basic Reports function during this run.

This option, like the Edit, Select, Format, and Validate Transactions options, lets you request runs for the functions needed.

The following codes are available for this option:

Code	Description
blank	Yes, print basic reports
*	No, do not print basic reports

Sample L* Transactions

The following example is a possible setup for a conversion run.

Example 1

Position	Field Name	Description
1-2	Transaction Code	L*
3-20	blank	
21-26	Report Date	YYMMDD format
27	Labor Distribution Master	1
28	Payroll Detail File	*
29-35	blank	
36	Print Special Reports	*
37	blank	
38	Control Parameters	*
39-80	blank	

This example shows that

- The input master file is not present; the output master file is created
- There is no payroll detail
- Transactions are present and are edited, validated, and used to update the Labor Distribution Master file
- All transactions are printed
- Basic reports are generated and printed

A variation of this setup is to run through the Edit function only, by requesting that the Validate, Update and Report functions not be processed.

After you are satisfied with the edit results, the other functions are requested for continued processing.

Example 2

Position	Field Name	Description
1-2	Transaction Code	L*
3-20	blank	
21-26	Report Date	*****4
27-80	blank	

This example shows that all functions and optional files are being requested. Also, the current system date is being requested as the report date.

A variation of this setup is to request Edit only:

Example 3

Position	Field Name	Description
1-2	Transaction Code	L*
21-26	Report Date	*****4
27	Control Parameters	3
28	Control Parameters	*
31-38	Control Parameters	********

After editing is satisfactorily completed, Edit and Validate functions are requested:

Example 4

Position	Field Name	Description
1-2	Transaction Code	L*
21-26	Report Date	*****4
27	Control Parameters	2
28	Control Parameters	*
31	Control Parameters	*
34-38	Control Parameters	*****

After Edit and Validate are satisfactorily completed, Update and Report Generate functions are requested:

Example 5

Position	Field Name	Description
1-2	Transaction Code	L*
21-26	Report Date	*****4
31-38	Control Parameters	********

The reason for not requesting Report Print may be job scheduling. When resources are available, a final run for printing reports is made:

Example 6

Position	Field Name	Description
1-2	Transaction Code	L*
21-26	Report Date	*****4
27	Control Parameters	3
28-30	Control Parameters	***
32-36	Control Parameters	*****

Note: Extreme care is required when requesting special runs using L* transactions. Be sure that the person responsible for scheduling and the person responsible for reports coordinate efforts when setting up special jobs.

Organization Transactions (LA - LG)

Besides the L* transaction, Labor Distribution has organization transactions, budget transactions, and employee/distribution transactions.

The LA through LG transactions are used to set up organization (Level 2) options for updating and reporting. Labor Distribution does **not require** any of these transactions. All the fields are assumed to have a default value that applies in some cases. For default values, see the *Transaction Descriptions* guide.

Labor Distribution requires these fields on the LA through LG transactions:

Positions	Description
1-2	Transaction code
3-6	Level 0, which must be spaces
7-10	Levels 1 and 2
11-20	Zeros

LA Transaction - Generate Reports

The LA transaction sets up a permanent request for the four basic and four budget reports.

Code	Description
blank	Do not generate (default)
E	Always generate
P	Generate only when LF transaction indicates month-, quarter-, or year-end
R	Reset to blank

The LA transaction also provides two delete options:

Option	Description
*	Deletes budget and employee data from the Labor Master file for an organization (Level1-Level 2)
D	Deletes an entire organization (Level 1-Level 2) from the Master file

LB Transaction - Sequence Reports

The LB transaction sets up a permanent level sequence for the four basic and four budget reports. Level 1 is assumed to be major and cannot be changed.

Each report has seven additional sequence options. Each option corresponds to the level number used for sequencing. The default options are 23456. You can arrange these numbers in any sequence you prefer. See the lowest sequence options on the LC transaction.

The first sequence option specified in the LB transaction is really the second sequence option to the system. Level 1 is assumed to be the first.

LC Transaction - Reporting Options

The LC transaction sets up the reporting options for the four basic and four budget reports.

Report	Description
01	Current Earnings with Associated Hours
02	Current Hours with Associated Earnings
03	To-Date Earnings with Associated Hours
04	To-Date Hours with Associated Earnings
05	Budget Current Earnings with Variance
06	Budget Current Hours with Variance
07	Budget To-Date Earnings with Variance
08	Budget To-Date Hours with Variance

Reports 01 - 04 Options

Option	Description
1	***Lowest Sequence of Totals***. This option refers to the sequence options chosen in the LB transaction for the report. With the sequence selected for the report in mind, select the sequence field from which to begin producing totals. For example, if your report sequence options are 3864752 (see the following example), and you want to produce totals beginning with Level 7 changes, enter **6** for this option to indicate that you want to begin totaling with the fifth specified sequence level, which is Level 7, as defined in the LB transaction. The default value for this option is 1, totaling at Level 1 only.

Example

3	8	6	4	7	5	2
2	3	4	5	6	7	8

Option	Description
2	***Lowest Sequence of Page Break***. This option also refers to the sequence option chosen in the LB transaction for the report and should be considered in the same manner as the Lowest Sequence of Totals option. The default value is 1, page break on Level 1 changes only.
3	***Print Employee Name on Report***. This option allows you to exclude employee names from the report. The default value is blank, print employee names.
4	***Detail List***. This option allows you to print only summarized report total lines rather than detail report lines from the report. The default value is blank, print detail.
5	***Intermediate Sequence***. This option allows you to sequence the report using certain payroll static data. For example, you can sequence the report by pay frequency to separate weekly from semi-monthly employees, active from terminated employees, or hourly from salaried employees on the Labor Distribution report. The default value is 1, no intermediate sequence.
6	***Minor Sequence***. This option allows you to sequence the report by employee name or employee number, within the intermediate sequence groups. The default value is 1, no minor sequence.

Report 05 - 08 Options

Option	Description
1	***Lowest Sequence of Budgeting Totals***. This option refers to the sequence options chosen in the LB transaction for the report and should be considered in the same manner as the Lowest Sequence of Totals option. The default value is 1, budget totals at Level 1 changes only.
2	***Lowest Sequence of Page Break.*** This option refers to the sequence options chosen in the LB transaction for the report and should be considered in the same manner as the Lowest Sequence of Totals option. The default value is 1, page break on Level 1 changes only**.**

Report Major Sequence

This option allows you to group reports by level (Level 0 through Level 2) then report number, or by report number, then level.

For example, if you are requesting Reports 01 and 02 for Level 0 through Level 2 (0101 and 0102), and you choose to sequence by **report number**, the sequence of reports is as follows:

- Report 01, Level 0 through Level 2 (0101)
- Report 01, Level 0 through Level 2 (0102)
- Report 02, Level 0 through Level 2 (0101)
- Report 02, Level 0 through Level 2 (0102)

However, if you choose to sequence by **level**, the sequence of reports is as follows:

- Report 01, Level 0 through Level 2 (0101)
- Report 02, Level 0 through Level 2 (0101)
- Report 01, Level 0 through Level 2 (0102)
- Report 02, Level 0 through Level 2 (0102)

The default value for this option is 1, sequence reports by report number, then level.

Validate Report Transaction Print

This option allows you to print all transactions on the Validate report. The default value is 1, do not print valid transactions.

Lowest-Level Labor Distribution Records on Labor Master

This option allows you to maintain the Labor Distribution Master file at a level other than employee level. Note that after you decide and establish the level at which the master is maintained, **you cannot change it**.

The indicator on the TL transaction on the HRMS Tables file must be consistent with this option.

Example

You have a 5,000-employee payroll, processing weekly and reporting to four different distributions per week. You choose to maintain the Labor Distribution Master at the employee detail level.

In Labor Distribution, each employee has a set of master records for each of the four distributions. If the volume on the Employee Master file is too large for your operating environment, you can choose to eliminate employee detail.

Lowest-Level Budget Records on Labor Master

This option assigns the level at which budget records are maintained. The option cannot be set to a level number higher than the Lowest Level Labor Distribution Records option. For example, if the Lowest Level Labor Records option is set to 5, this option cannot be 6, 7, or 8. Note that after this option has been set, **you cannot change it**.

LD1 and LD2 Transactions - Defining Levels

These transactions tell Labor Distribution the lengths of L1-L8 and descriptions of L0-L8. The Central System has the following lengths:

Level	Length (number of positions)
0	4
1	2
2	2
3	4
4	4
5	4
6	10

Levels 7 and 8 are not defined in the Central System. However, by redefining the total 22 positions you can use L7-L8 in Labor Distribution. For example:

Level	Length	OR	Level	Length
0	4		0	4
1	1		1	3
2	3		2	1
3	2		3	1
4	3		4	7
5	7		5	1
6	2		6	5
7	6		7	8
8	2		8	0

Many variations are possible. As you establish your levels of control in the system, you can also set up the structure for Labor Distribution.

Labor Distribution assumes the same setup as the HCM:E System, including the level descriptions as defined. If the structure and descriptions defined for HCM:E apply to Labor Distribution, you do not need to use the LD1 and LD2 transactions.

Restrictions to Level Size Definition

Level	Restriction
0	Assumes a size of 4 because the Central System does not have this level.
1, 2	Level 1 =1; Level 2 = 3 Level 1 = 2, Level 2 = 2 Level 1 = 3, Level 2 = 1
3 - 8	Levels 3 through 8 can use the 22 positions of distribution (commonly called L3-L6) with this restriction: If subsequent levels are larger than 0, you cannot define any level as size 0.

After your distribution levels are defined, you must reenter **all** levels to change **any** level.

LE Transaction - Accrual Parameters

This transaction is used to give Labor Distribution accrual parameters. The transaction contains one set of parameters for each pay frequency: weekly, bi-weekly, semi-monthly, and monthly.

Enter the parameter for the frequency to be accrued. Leave blanks for the frequencies not to be accrued.

LF Transaction - Cycle Processing

This transaction is used to give Labor Distribution information for the current processing cycle.

Field	Description
MONTHLY PERIOD-END DATE	This date is used to print on the four to-date reports when the period-end code designates month end.
QUARTERLY PERIOD-END DATE	This date is used to print on the four to-date reports when the period-end code designates quarter end.
YEAR-END DATE	This date is used to print on the four to-date reports when the period-end code designates year end.
CLEAR TO-DATE CODE	This field tells Labor Distribution to clear the accumulators for the period indicated. The system assumes it is always current period clearing. You need to enter this field only for the following times: First run of a month = M First run of a quarter = Q First run of a year = Y This field is also used to indicate the beginning of a new period. It notifies the system to reverse any accruals or future charges from a previous period.
PERIOD-END CODE	This field is used to tell the system when the last cycle of a period is being processed. The system then generates the period-end reports specified in the LA transaction.

LG Transaction - Budget Options

The LG transaction is used to set up organization options for Budget Reporting in Labor Distribution.

Field	Description
MONTH BUDGETED	For future use.
GENERATE LABOR REPORTS 5-8	These options are described in the LA Transaction section. These four options override the corresponding options on the LA transaction.
REPORT 05 OPTIONS	Lowest sequence of budgeting totals: This option refers to the LB transaction sequence options chosen for Budget Report 05 and should be considered in the same manner as the lowest sequence of totals option. The default of this option is 1, which indicates budget totals at level 1 only. Lowest sequence of page break: This option also refers to the sequence options chosen in the LB transaction for Report 05 and should be considered in the same manner as the lowest sequence of totals option. The default of this option is 1, which indicates that a new page should begin on level 1 changes only.
REPORT 06-08 OPTIONS	These options available for these reports are the same as Report 05 options.
PERCENT OF MONTH COMPLETED AT END OF CURRENT LABOR PERIOD	The system uses this percentage to calculate monthly projections on the to-date budget reports.
PERCENT OF QUARTER COMPLETED AT END OF CURRENT LABOR PERIOD	The system uses this percentage to calculate quarterly projections on the to-date budget reports.
PERCENT OF YEAR COMPLETED AT END OF CURRENT LABOR PERIOD	The system uses this percentage to calculate yearly projections on the to-date budget reports.

(continued)

Field	Description
CUMULATIVE BUDGET	This option allows you to choose cumulative or non-cumulative budgeting. If you choose **cumulative** budgeting, the system accumulates each budgeted amount from the lowest period budgeted to each higher period at the beginning of the specified lowest period. For example, if you choose MONTH as the lowest period budgeted, at the beginning of each monthly period, the monthly budgeted amounts are added to the quarterly and yearly budgeted amounts. Also, all periods higher than the lowest period budgeted have their budgeted amounts cleared at the beginning of a period corresponding to those higher periods. If you choose **non-cumulative** budgeting, each period budgeted must have its own set of budgeted amounts.
LOWEST PERIOD BUDGET	This option designates the lowest period for which budgeted amounts are entered. Depending on the **cumulative budget** option chosen, this field also controls the accumulation of budgeted amounts by period (see the CUMULATIVE BUDGET field).
DEPENDENT BUDGETING	This option tells the system the level of control budget amounts will be entered. If you choose **independent** budgeting, each LH transaction represents one level of control being budgeted. If you choose **dependent** budgeting, each LH transaction must contain the lowest level being budgeted and all higher levels within which the lowest level budgeted occurs.
BUDGET CATEGORY	This option tells the system the degree of detail at which budgeted amounts will be entered. For example, if you choose to budget each item separately, you need to enter one LH transaction for each item you are going to budget within each level of control being budgeted.

LH Transaction - Budget Detail

This transaction is used to set up detail budget records on the Labor Distribution Master file.

Field	Description
LEVELS 3-8	This field gives the system the distribution level codes being budgeted by this transaction. If you chose the LG option (independent budgeting), you should enter all level codes through the lowest level budgeted. For example, if you chose to budget only through Level 5, you must enter Levels 3, 4, and 5 codes here but not additional levels. If you chose the LG option (independent budgeting), you should enter only the level code you want to budget and enter * in all preceding positions.
EARNINGS, HOURS, TAX OR BENEFITS CODE	This field tells the system the distribution item you are budgeting with this transaction: earnings, hours, tax, or benefits. This code should correspond to the LG option chosen for budget category. For example, if you chose to budget each item separately, a code of E000 is invalid because this code is for budgeting all earnings combined (summarized budgeting).
HOURS	This field shows the number of hours budgeted for the item indicated. If no hours are budgeted for this item, leave the field blank.
EARNINGS	This field shows the dollar amount budgeted for the item indicated. If no earnings are budgeted for this item, leave the field blank.
PERIOD CODE	This field indicates the budget period. This code should correspond to the LG option chosen for lowest period budgeted. For example, if you chose quarter as the lowest period budgeted, a period code of Q or Y is valid; C or M is not.

LM Transaction - Manual Adjustments

This transaction is used to enter manual adjustments.

Field	Description
EMPLOYEE NUMBER	This field gives the system the employee number for the transaction. If you are maintaining the master at detail level (LC option lowest level labor 9), enter the employee number; otherwise, leave the field blank.
LEVELS 3-8	This field gives the system the distribution level codes to adjust using this transaction. Enter all level codes through the lowest level established on the LC option. For example, if you are maintaining the master at detail level (LC option 9), you need to enter the distribution level codes for the employee record you want to adjust and the employee number.
EARNINGS, HOURS, TAX OR BENEFITS CODE	This field tells the system which distribution item is being adjusted by the transaction.
MONTH CODE	This field indicates which period you are adjusting with this transaction. If you leave this field blank or enter **C** (current), the adjustment is posted in the current accounting period. If you enter **N**, the adjustment is posted to the FUTURE CHARGE field and held in suspense until the next accounting period begins. At that time, the future charges are posted to the new accounting period.
HOURS	This field shows the number of hours adjusted.
EARNINGS	This field shows the dollar amount adjusted.
UPDATE CODE	This field shows the period for the transaction to adjust.
ADJUSTMENT CODE	This field indicates the type of adjustment being made.

LN Transaction - Change Employee Information

This transaction is used to

- Revise employee information on the Labor Distribution Master file for employees
- Add new employees
- Delete an employee Labor Distribution master.

Field	Description
EMPLOYEE NUMBER	This field gives the system the employee number for the transaction.
EMPLOYEE NAME	An entry in the field indicates a revision to the employee name.
EMPLOYEE STATUS	An entry in the field indicates a revision to the employee status.
PAY FREQUENCY	An entry in the field indicates a revision to the pay frequency.
PAY CODE	An entry in the field indicates a revision to the pay code.
HOME LEVELS	An entry in the field indicates a revision to the employee home levels distribution controls.
MAINTENANCE CODE	This field indicates whether use this transaction as a revision for a new employee or an employee record or to delete an employee from the Labor Distribution Master file.

If you do not choose to maintain detail level on the Labor Distribution Master file, **do not enter a LN transaction**.

Information Expert Report Writer

The Information Expert (I.E.) Report Writer uses a delivered LIM (PLS2UA) to create ad hoc Labor Distribution reports.

8 General Ledger Interface

Chapter Contents

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Introduction

This chapter provides detailed information about the HCM:E Payroll/General Ledger interface.

Purpose

The purpose of the Payroll/General Ledger Interface (GLI) is to create journal entries needed for

- Charging both gross payroll and payroll-related expenses to the appropriate accounts in the appropriate cost centers in the Infor FMS E Series General Ledger system (GL:E)
- Posting to liability accounts for the disbursement of these funds.

Organization Options

Organization options provided in the General Ledger Interface allow you to create only the journal entries you need. One option allows you to create journal entries for the sole purpose of distributing gross payroll to the appropriate account and center. You can distribute these gross payroll expenses through time entry transaction or automatically as provided in the Employee Master File records. The total gross payroll for an employee can also be charged to a single account and center.

You can charge the following general types of payroll-related expenses. Each is employer paid.

- FICA expense
- Medicare expense
- FUI expense
- SUI expense
- Quebec Medicare (Canada)
- CPP (Canada)
- QPP (Canada)
- EI (Canada)
- QPIP (Quebec)
- Benefits (employer-paid DOEs)

Using the organization options in the Payroll/General Ledger Interface, you can select any or all of the payroll-related expenses individually for distribution. Each type of payroll-related expense can be charged to the employee's home cost center or distributed in the same way the gross payroll expense is distributed.

An option is provided for employer-paid SUI expenses to be charged by an individual state or as a total for all states.

Entering GLI Options

Enter GLI Options using Screen 36.

```
ACTION: ____  CURR: 36   NEXT: 10
    L1: AA  L2: AA  EFF DATE: ________

                  PAYROLL GENERAL LEDGER INTERFACE OPTIONS
CREATE GLI RECORDS: _
DISTRIBUTION OPTIONS:
    EMPLR PAYR EXPENSES:  GROSS PAY: _       ER FICA: _         ER FUI: _
                            ER SUI: _  ER PAID DOES: _
    EMPLE/EMPLR LIABILITY  ACCOUNTS: _
    EE TAX WITHHOLDING:       STATE: _        COUNTY: _           CITY: _
    MISCELLANEOUS:       DOE DEDUCT: _   HOURS STATS: _
                           ADJ SEP: _      ADJ ACCR: _ DEFLT LVL ERR: _
                         CROSS CHG: _  TRANS SUFFIX: _ INTERFACE SEQ: _
ACCRUAL OPTIONS: ACTUAL ACCR METHOD: _   REGULAR PAY: _      OTH EARN: _
                  TIME CD EARNINGS: _
ESTIMATED ER PAID EXPENSE:     FICA: _          FUI: _           SUI: _
BATCH HEADER RECORD OPTIONS:              APPL CODE: __  SRCE CD GEN: _
GL CURR CYCLE END: ________               GL NEXT CYCLE BEGIN: ________

ACCRUAL PARMS: CODE    TYPE    CYCL DYS    DAYS TO ACCR    PCT
       WEEKLY:  _       _       _____         _____       _____
     BIWEEKLY:  _       _       _____         _____       _____
 SEMI-MONTHLY:  _       _       _____         _____       _____
      MONTHLY:  _       _       _____         _____       _____
```

Liability Entries

You can select an option in the General Ledger Interface to provide journal entries for the appropriate liability accounts for the disbursement of payroll funds. If you choose this option, journal entries are created for all disbursement accounts for the gross payroll and payroll related expenses you decide to charge. Journal entries are created for all deductions withheld from the employee's gross payroll and for the net check.

Taxing Entities

You can create journal entries for each individual taxing authority within a specific area (such as state withholding tax) or create one summarized journal entry for the total of that area for each of the following items:

- State Withholding Tax
- County Withholding Tax
- City Withholding Tax
- Employee paid SDI
- Employee paid SUI

Posting Statistics

Besides these journal entries, the General Ledger Interface allows you to generate journal entries to post hours to the General Ledger as statistical items.

Table of Accounts

The GLI Table of Accounts is created and maintained by Payroll/GLI Table of Accounts File Edit and Update (PLG100). Each level 1-level 2 has its own table that associates that level 1-level 2 with a GL company. The maximum number of unique organization or subsidiaries is 300 for each level 1-level 2.

Account-Center Numbers

You can create the account number and center number from various codes carried in both the Employee Master File and associated employee time entry transactions.

Use the GD or GE transaction to choose to

- Enter account or center number or both directly in the Table of Accounts

  or

- Select account or center construction routines or both using level codes 3, 4, 5, and extended distribution code

  or

- Construct your own account or center or both, using level codes 3, 4, and 5, and extended distribution codes.

These options are independent for account or center construction or both. For example, you can use the first option for account and the third option for center. If levels 3, 4, 5, and extended distribution codes are not sufficient to construct your account and center numbers, you can expand the account-center assignment capability by creating a transaction suffix using other payroll fields such as the pay code, pay frequency, or employee status. For instructions for setting up the transaction suffix routines, see the *Technical Guide*.

Summarizing Information

With the General Ledger Interface, you can summarize transactions before entry into the General Ledger system if you do not need detail information.

Processing GLI

The following table provides a summary of the automatic process the system uses to create the information you need for your general ledger posting.

To...	The system...
Develop journal entries	References the GLI Table of Accounts file you set up to create entries for appropriate accounts from transactions in the Labor Distribution/GLI Detail file.
Summarize entries, generate batch records, and print summary totals	Processes the GLI Detail Journal Entries (Unsorted) file using the Payroll/GLI - Summarize, Batch, and Report program.

Note: The format of GLI journal entries created by the interface is designed for direct input to GL:E. You can modify journal entries for entry into another general ledger system. For more information, see the *Technical Guide*.

Balancing the GLI

The following reports are used to balance the information passed to the General Ledger from Payroll:

- Totals from the Payroll Register, DOE Register, and Tax Distribution Summary should match totals in the detail section of the GLI Recap report.
- Total Debits/Credits on the GLI Recap report should match the total Debits/Credits on the GLI Batch Summarize report.
- All GLI information balances to the Payroll Register except employer-paid taxes and DOEs. The taxes should be matched to the Tax Distribution Summary and the DOEs matched to the DOE Register.

Payroll/GLI Components

The following system components are used for General Ledger Interface processing:

Component	Description
Transaction Validate (PLP400)	Validates the CS-3 and CS-9 transactions.
Update Master File (PLP600)	Processes CS-3 and CS-9 transactions and updates the appropriate organization control records in the Employee Master File (104 Segment).
Payroll Compute (PLP700)	Processes pay and adjustment data to generate records for the Labor Distribution/GLI Payroll Detail File (PWP190).
Table of Accounts File and Update (PPG100)	Creates and maintains the Table of Accounts by level 1-level 2.
Interface and Accrual (PLG200)	▪ Processes the records generated from Payroll Compute using the GLI Table of Accounts and generates General Ledger transaction records. ▪ Creates accrual entries when indicated. ▪ Produces mismatch and totals reports.
Summarize, batch, and report (PPG300)	Summarizes and batches all journal entries and reports all activity.

Transaction Overview

This table lists the screens and transactions used for establishing GLI options, setting up the GLI accounts, and establishing standard run parameters.

Screen	Transaction	Used to…
36	CS-3	Set up the following options in the Employee Master File: ▪ Create GLI transactions for the Labor Distribution/GLI Payroll Details File ▪ Create individual GLI transactions for earnings and hours information ▪ Select GLI File sequence ▪ Select Accrual options ▪ Select Estimated Employer-Paid Expenses option ▪ Select Header records
36	CS-9	Select Accrual Parameters.

(continued)

Screen	Transaction	Used to…
N/A	G	Select Table of Accounts Edit and Update run parameters.
N/A	GA	Override standard run parameters set up on the G.
N/A	GC	Delete entries from the Table of Accounts.
N/A	GD-GH	Select GLI Table of Accounts account number options.
N/A	GL	Select accrual parameters; override Master File.

Steps for Processing Payroll through GLI

The basic steps for processing payroll activity through the General Ledger Interface to your general ledger system are listed in the following table. Each of these steps is discussed in greater detail later in this chapter.

Step	Action
1	Set up options in the system.
2	Generate detail from Compute.
3	Create the Table of Accounts.
4	Process GLI to create journal entries.
5	Balance Payroll to General Ledger.

Step 1: Setting Up Options in the System

Define GLI Transactions

You can define the types of transactions created in the General Ledger Interface using Screen 36. Detailed values for each option are listed for the CS-3 transaction in the *Transaction Descriptions* guide. You can select from the following options:

- Create GLI transactions: Yes or No
- Create gross payroll distribution transactions
- Create employer FICA/Medicare or employer Quebec Medicare distribution transactions
- Create employer FUI distribution transactions
- Create employer SUI/CPP/QPP/EI/QPIP distribution transactions
- Create employer-paid DOE distribution transactions
- Create liability account transactions
- Create hours statistics transactions
- Create transactions to charge adjustments separate from current period transactions
- Post adjustment transactions to the current month or next month
- Select default level of error accounts
- Create transactions to cross charge employee expenses
- Use a transaction suffix
- Create journal entries for DOE deductions
- Create journal entries for employee state withholding tax
- Create journal entries for employee county withholding tax
- Create journal entries for employee city withholding tax
- Establish accrual options
- Create journal entries for estimated employer tax.

GLI Record Key

When you choose to create GLI records, the General Ledger Interface records are generated by Compute. The GLI Table of Accounts is used to create the journal entries with the appropriate account-center number. The record key on both the GLI Detail File and the Table of Accounts File consists of level 1-level 2, the transaction code, transaction suffix, and a transaction indicator. The transaction indicator consists of 5 positions for state, county, city (SCC) code, earnings code, hours code, DOE code, and so on, depending on the record being processed.

Example

The entire key appears as follows:

L1L2	Code	Suffix	Indicator
4	4	16	5

Level 1-Level 2 and Transaction Code

The following table describes the content of the key.

Position	Description
1-4	Level 1-Level 2 being processed
1	1 = Gross payroll expense 2 = Payroll-related expense 3 = Gross payroll liability 4 = Payroll-related liability 5 = Miscellaneous 6, 7 = Reserved 8 = Hours
2 and 3	Used to separate the multiple transactions within a transaction type. (For example, separates federal income tax from state income tax in the Gross Payroll Liability category.)
4	Identifies type of payroll activity that generated the transaction. The organization option on the CS-3 transaction allows you to select whether adjustments will be separate from regular pay activity. If you select yes, the code in the fourth position can be 1 = Current check 2 = Positive adjustment 3 = Prepay 4 = Negative adjustment 5 = Reversal If you do not choose to separate adjustments form regular pay activity, the fourth position will be 1.

Transaction Suffix

The transaction suffix is 16 positions. It can be used to set up a level below the level 2 to which General Ledger accounts are assigned. The transaction suffix generated from Compute defaults to zeros. It can be easily set up as pay code, employee status, and so on, or some combination of these by activating the transaction suffix option with user coding added to delineate a level lower than transaction indicator for assignment of accounts and centers. For more information, see *Technical Guide*.

Transaction Indicator

The transaction indicator further defines the items included in the individual transaction code. For example, 2011-2015 can be FICA or Medicare Employer tax. The indicator contains FICA or MED as appropriate. For a complete list of transaction indicators, see the Table of Accounts Transaction List.

Note: The transaction indicator is left justified except for regular and overtime, which are blankA and blankB, respectively.

Summary Liability Transaction

Certain liability transactions are generated in summary at the same time header and trailer records are generated. Two sets of those liability transactions are generated: one set for weekly and biweekly employees, and one set for semi-monthly and monthly employees. These are the liability transactions:

Transaction Code	Contents
3091	Gross payroll clearing – 2 transactions: a debit and a credit

Other expenses and liabilities can be generated in summary if the options to charge to the same account are chosen, except Estimated FICA, FUI, and SUI.

Special Purpose Transactions

Special purpose transactions are optionally created during processing of the Distribution Table for estimated employer taxes.

Transaction Code	Estimated Employer Taxes
2111, 4111	FICA/Medicare
2121, 4121	FUI
2131, 4131	SUI

Note: The estimated tax is calculated in the interface match process. You can update the rate in the Estimated FICA/FUI/SUI entry on the GD Table of Accounts entry as frequently as each pay cycle to amortize these expenses throughout the year.

Canadian Expenses

For Canadian organizations, the Quebec Medicare employer-paid expenses use the following options on Screen 36:

Employer-Paid Tax	Employer-Paid Expense
Quebec Medicare	Employer-paid FICA/Medicare
(No equivalent)	Employer-paid FUI
CCP, QPP, EI, and QPIP	Employer-paid SUI

Step 2: Generating Detail from Compute

Automatic Organization Processing

For each organization being processed, Compute generates two header records and a trailer record.

These records...	Are built...
Header	When the Employee Master File records are processing. Header records are written at the end of organization processing based on an organization-processed switch. The organization processed switch is turned on when adjustments, prepays, reversals, or employee checks are found for the organization.
Trailer	During the processing of the Employee Master File. The trailer is written at the same time as the header record and under the same conditions. The trailer record provides balancing totals for the General Ledger Interface.

Distribution of Gross Payroll

The system distributes gross payroll automatically or from information provided on time entry transactions. The following table describes the stages in the distribution process.

Stage	Description
Automatic Distribution	For automatically paid employees only. Information is processed using the automatic salary splits provided in the Employee Master File record. Distribution occurs as follows: ▪ All earnings are distributed to home controls. ▪ If employee has automatic salary split, percentages set up for that employee are distributed to the assigned distribution code and levels 3 through 5.
Time Entry Distribution	Multiple distribution can be done for all employees. In addition to automatic salary splits, earnings can be distributed to any distribution code and levels 3 through 5 as defined on the time entry transaction. If no distribution is entered on the time entry transaction, the home controls are used.

Employee Processing

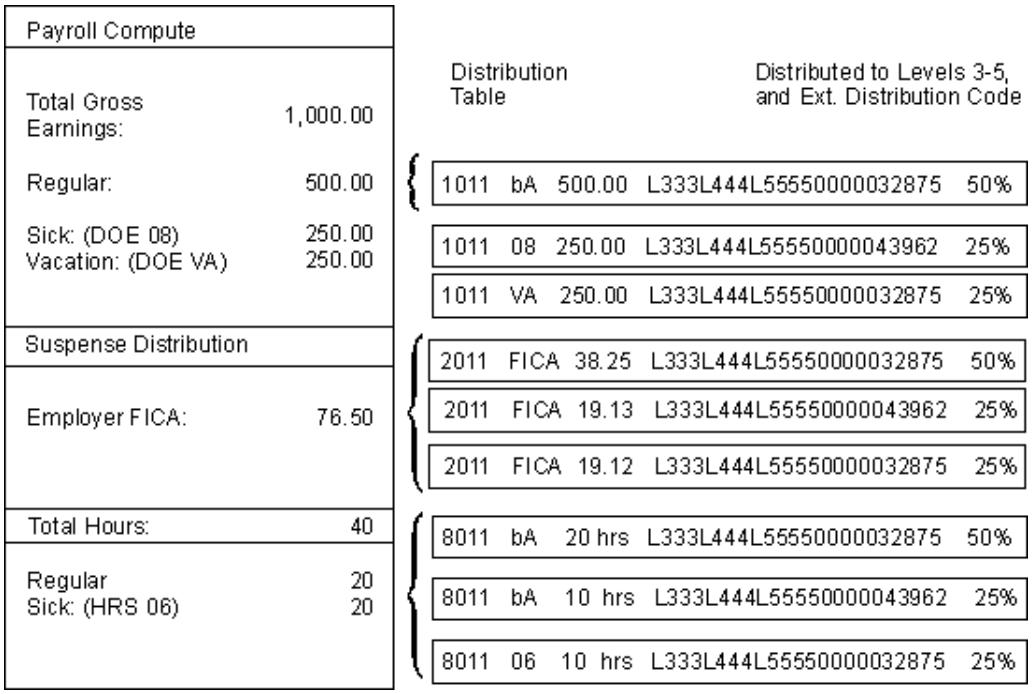
As each employee is processed, the following processing occurs:

Process	Result
Time Entry Transactions	Regular hours and resulting regular gross amount are entered in a distribution table by ▪ Adding to an existing entry or ▪ Creating a new entry Overtime hours and resulting overtime gross are entered in a distribution table the same as regular hours.
Automatic regular earnings	Hours and resulting gross amounts are entered in a distribution table the same as time entry transactions.
Automatic other earnings	Resulting amounts are entered in a distribution table the same as time entry transactions.

Distribution Processing

As gross pay is calculated, a distribution table is built containing a separate entry for each type of earning paid and for each different level 3 - level 5, extended distribution code to which the earnings were reported for a single check.

The following example shows the results of distribution processing. The distribution table is accessed to produce earnings, FICA, and hours transactions for each entry in the table. The earnings code entered in the transaction indicator produces 1011 transactions, FICA data produces 2011 transactions, and the hours code produces 8011 transactions. As each entry in the table is processed, a percentage to total gross is calculated and entered in the table.



The distribution table contains a maximum of 50 entries as delivered. If the distribution table is full at any time when processing earnings, automatic regular earnings, or automatic other earnings, individual transactions are produced for those earnings for which there was no room in the table. The amount of these earnings and hours is not used when calculating the payroll related expense distribution. The following figures are accumulated into the organization trailer record as statistical fields:

- Gross amount not used in payroll related expense distribution
- Number of transactions not used in payroll-related expense distributions
- Number of employees affected

If you need to increase this table to more than 50 entries, see the *Technical Guide*.

The creation of 1011 transactions is controlled by the gross payroll distribution option on Screen 36. The creation of 8011 transactions is controlled by the hours statistics option on Screen 36.

If you selected the option to prorate employer expenses, at the end of employee processing for each check the distribution table is accessed to generate the following transactions, as appropriate, for every entry in the table:

Transaction Code	Contents
2011, 4011	Employer FICA Tax or Employer Medicare Tax
2021, 4021	Employer FUI Tax
2031, 4031	Employer SUI Tax, one transaction for each state
2041, 4041	Employer-paid DOEs, one transaction for each DOE
2251, 4251	Employer-paid Quebec Medicare (Canada)
2271, 4271	Employer-paid CPP (Canada)
2281, 4281	Employer-paid QPP (Canada)
2291, 4291	Employer-paid EI and QPIP (Canada)

The amount in each of the preceding transactions is calculated by multiplying the total amount of each payroll related expense by the percentage for each table entry. When it reaches the last entry in the table, the remainder of the payroll related expense is posted here to avoid a loss of a penny in rounding situations.

Adjustments, Prepays, and Reversals

Adjustments, prepays and reversals are process by Compute to generate single transactions for gross payroll, each type of payroll related expense, and each item posted to a liability account. These transactions can have the same payroll generated transaction code as the usual entries. They are processed against the GLI Table of Accounts using the Compute generated transaction code to determine the table entry to which they apply. If the input transactions are negative (check reversals and negative adjustments), the amount is changed to a positive amount and the General Ledger reversal code from the GLI Table of Accounts is used.

Caution: If an adjustment is entered out of balance, an offsetting transaction is automatically generated to reconcile the accounts.

Step 3: Setting Up Your Table of Accounts

The following procedure describes how to set up the Table of Accounts for each level 1-level 2 in your company. The information set up and maintained in the Table of Accounts determines what and how accounts and cost centers are allotted to pay items, accruals and reversals, and cross-charged pay items.

Step	Action
1	Set up run parameters and Table of Account report options - G, GA
2	Delete Table of Account entries - G
3	Set up GLI transaction codes - GD, GE Assign/Construct account and cost center numbers - GD, GE Associate this level 1-level 2 with its corresponding GL company - GD Establish whether the item is a debit or credit - GD Establish whether the item is reported in summary or detail - GD
4	If expenses are accrued, assign offsetting liability account and cost center numbers - GF
5	If expenses are cross-charged, define loaned and borrowed accounts and centers that associate the first four positions of distribution code in the employee record or ZT with the GL company - GG, GH

For instructions and options for entering each of the preceding transactions, see the *Transaction Descriptions* guide.

Set Up Report Options

You can set up report options on G transactions to define the type of information you want to print on the Tables of Accounts Update and Entry Edit List reports. You can select from the following options:

- For the Tables of Accounts Update report, choose to print
  - All entries from the tables of accounts master file, including any additions, changes, or deletions
  - Only additions, changes, and deletions.
- For the Tables of Accounts Entry Edit List, choose to print
  - All transactions entered
  - Only transactions with errors and warnings.

Run Time Override Report Options

During any update cycle, you can establish the print option standards by entering a G transaction to accommodate the majority of the organizations in the file. If you have some organizations that require different options, you can submit GA transactions to override the G transactions for those organizations only. The options available on the GA transaction are the same as those on the G transaction.

You can combine G and GA transaction options to print or not to print your entire Table of Accounts on the Tables of Accounts Update Report.

Creating the Account Number

The account number can be entered directly or constructed by converting the levels 3 through 5 and extended distribution code from the system to the account number for the General Ledger transactions.

This table shows the valid values for the preset or constructed account number that is available as an option on the GD transaction.

Value	Description
Blank	Account number will be entered directly into the GLI Table of Accounts with the GE entry.
1	Construct the account number from data items of the GLI File. Select the data items in the GLI File you want to use to make up the account number. For a complete list of values See the GD transaction in the *Transaction Descriptions* guide. You can choose a construction routine defined by the system or construct your own account number with user coding. For instructions, see the *Technical Guide*.

Creating the Center Number

The center number can be entered directly or constructed by converting the levels 3 through 5 and extended distribution code from the system to the cost center number for the General Ledger transactions.

This table shows the valid values for the preset or constructed cost center number that is available as an option on the GD transaction.

Value	Description
Blank	Center number will be entered directly into the GLI Table of Accounts with the GE entry.
1	Construct the center number from data items of the GLI File. Select the data items in the GLI File you want to use to make up the center number. For a complete list of values, see the GD transaction in the *Transaction Descriptions* guide. You can choose a construction routine defined by the system or construct your own center number with user coding. For instructions, see the *Technical Guide*.

Summarize Information

You can choose whether information is posted to General Ledger in detail or summary form. The choice you make determines whether any transactions that match a table entry are summarized or not.

This table shows the values you can use on the GD transaction.

Value	Description
1	Summarize all matching transactions.
2	Do not summarize matching transactions. If you choose this option, the employee number is entered in the Description 2 field of the journal entries.

Building the Table of Accounts

This table lists the entries needed to build the Table of Accounts.

Code	Indicator	Description	Debit/Credit, Reversal Codes
0000	00000	Header (required if cross-charging)	1061
1000*	00000	Gross Payroll Expense Default	1061
1011*	Blanks	Gross Payroll Expense Default	1061
1011	Earnings Code bAbbb = Regular bBbbb = Overtime xxbbb = DOE code	Gross Payroll	1061
2000*	00000	Payroll Related Expense Default	1061
2011*	Blanks	Payroll Related Expense Default	1061
2011	FICAb	Employer FICA Tax	1061
	MEDbb	Employer Medicare Tax	1061
2021	00000	Employer FUI Tax	1061
2031*	00000	Employer SUI Tax Default	1061
2031	Xxbbb	Employer SUI Tax	1061
2031	FLIxx (xx = State code)	Employer FLI Tax	1061
2041*	Blanks	Employer-paid DOE Default	1061
2041	xxbbb (xx = DOE code)	Employer-paid Benefits Employer-paid DOEs	1061
2111	00000	Estimated Employer FICA	1061
2121	00000	Estimated FUI	1061
2131	00000	Estimated SUI	1061
2251	00000	Employer-paid Quebec Medicare	1061
2271	00000	Employer-paid CPP	1061
2281	00000	Employer-paid QPP	1061
2291	00000	Employer-paid EI	1061
2291	88bbb	Employer-paid QPIP (Quebec)	1061
3000*	00000	Gross Payroll Liability Default	6011
3011	00000	Employee U.S. Federal Withholding Tax	6011
3021*	00000	Employee State Withholding Tax Default	6011
3021	xxbbb (xx = State code)	Employee State Withholding Tax	6011

Code	Indicator	Description	Debit/Credit, Reversal Codes
3031*	00000	Employee County Withholding Tax Default	6011
3031	xxxbb (xxx = County code)	Employee County Withholding Tax	6011
3041*	00000	Employee City Withholding Tax Default	6011
3041	xxxxb (xxxx = City code)	Employee City Withholding Tax	6011
3051*	Blanks	Employee FICA/Medicare Withholding Tax Default Employee FICA Withholding Tax	6011
3051	FICAb MEDbb	Employee Medicare Withholding Tax	6011
3061*	00000	Employee SDI/SUI Withholding Tax Default	6011
3061	SDIxx	Employee SDI Withholding Tax	6011
3061	SUIxx	Employee SUI Withholding Tax	6011
3061	FLIxx (xx = State code)	Employee FLI Withholding Tax	6011
3071*	Blanks	Employee Deduct/Combo DOE Deductions Default	6011
3071	xxbbb (xx = DOE code)	Employee Deductions and Combination DOEs (deduction portion)	6011
3081	00000	Employee Net Payroll	6011
3091	00000	Employee Gross Payroll Clearing Account (Automatically Summarized)	6011
3211	00000	Employee Canadian Federal Withholding Tax	6011
3221	00000	Employee Quebec Provincial Withholding Tax	6011
3231	00000	Employee Canadian Pension Withholding Tax	6011
3241	00000	Employee Quebec Pension Withholding Tax	6011
3251	00000	Employee Canadian EI Withholding Tax	6011
3251	88bbb	Employee Quebec QPIP Withholding Tax	6011
4000*	00000	Payroll Related Liability Default	6011
4011*	Blanks	Employer FICA/Medicare Default	6011
4011	FICAb	Employer FICA Tax	6011
	MEDbb	Employer Medicare Tax	6011
4021	00000	Employer FUI Tax	6011
4031*	00000	Employer SUI Tax Default	6011
4031	Xxbbb	Employer SUI Tax	6011
4031	FLIxx (xx = State code)	Employer FLI Tax	6011

Code	Indicator	Description	Debit/Credit, Reversal Codes
4041*	Blanks	Employer-paid DOE Default	6011
4041	xxbbb (xx = DOE code)	Employer-paid Benefits Employer-paid DOEs	6011
4111	00000	Estimated Employer FICA/Medicare	6011
4121	00000	Estimated Employer FUI	6011
4131	00000	Estimated Employer SUI	6011
4251	00000	Employer-paid Quebec Medicare	6011
4271	00000	Employer-paid CPP	6011
4281	00000	Employer-paid QPP	6011
4291	00000	Employer-paid EI	6011
4291	88bbb	Employer-paid QPIP (Quebec)	6011
5011*	Blanks	Arrears – Asset Default	1061
5011	xxbbb (xx = DOE code)	Arrears – Asset	1061
5041	00000	Adjustments Out of Balance	6011
5111*	Blank	Arrears – Liability	6011
5111	xxbbb (xx = DOE code)	Arrears – Liability	6011
8000*	00000	Hours Default	1061
8011*	Blanks	Hours Default	1061
8011	Hours code bAbbb = Regular bBbbb = Overtime xxbbb = Special Hours	Hours	1061

* Compute generates detail with the appropriate transaction code, suffix, and indicator. If, in the process of matching this detail to the Table of Accounts, no entry is found for that key, the interface looks for a default entry to post the item to GL.

The entries in the preceding table flagged with an asterisk (*) are these default entries. If default entries are used at the transaction code level (for example, 3071 with blanks in the indicator), it will assist in identifying mismatched items and posting them correctly.

Step 4: Processing the General Ledger Interface to Create Journal Entries

Match and Accrual Processing

The General Ledger Interface matches the details from Compute to the GLI Table of Accounts to create the general ledger journal entries. If indicated, it processes cross-charging.

If this is an accrual cycle, the GLI does the accrual calculation and generates the entries to reverse the accruals next month.

Accrual Processing

You can elect whether expenses posted to General Ledger are accrued using options on Screen 36. If you do not indicate that this is an accrual cycle, all payroll activity will contain the check date as the GL effective date. If you designate this as an accrual cycle, you must identify the type of accrual you want for this pay cycle. Use Screen 36 options or the GL transaction to designate

- No accrual
- Percentage actual
- Percentage estimated
- 100% actual
- 100% actual plus percentage estimated.

Considerations

Only expense entries are accrued. Payroll liabilities are not accrued.

If you use the GL transaction, it will override any previous selections made on Screen 36 (104 segment).

You also need to enter the General Ledger current period end date and next period begin date using Screen 36 or GL transaction.

The Payroll Recap report (PRG200) will identify accrual and reversal amounts in the Accrual and Reversal columns.

The General Ledger posting transactions will be batched by General Ledger company and effective date. These batches will be reflected on the Summary report (PRG300) as charge, accrual, or reversal with an effective date of the pay check date, the GL end date, or the GL begin date, based on the accrual option.

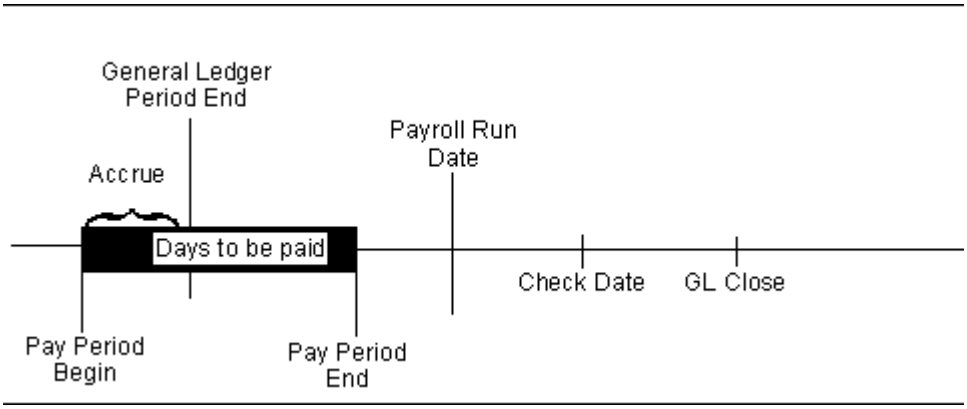
Decisions about the Accrual Cycle

To help you select the appropriate accrual cycle options, the following examples show the options.

Actual %

Pay period begin date is in one accounting cycle and pay period end is in the next accounting cycle. Check date is after period end.

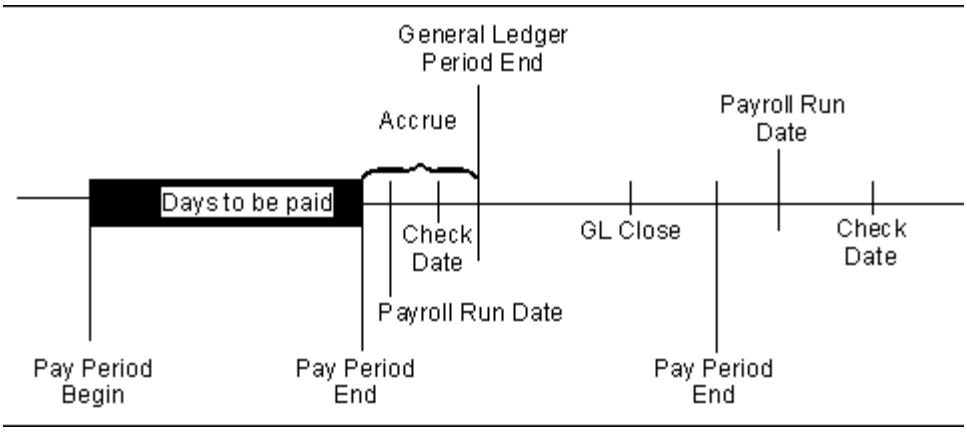
Payroll checks are dated next month; some of the expense should be expensed to this month.



Estimated %

Pay period begin date, pay period end date and check date are all before General Ledger period end.

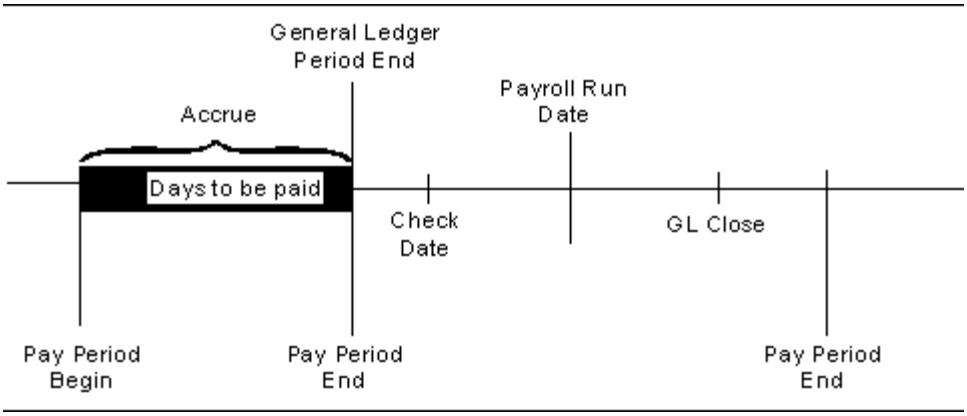
Payroll checks are dated before end of month, and you want to estimate the expenses for the remainder of the month.



100% Actual

Pay period end date is the same as the General Ledger period end and the check date is in next month.

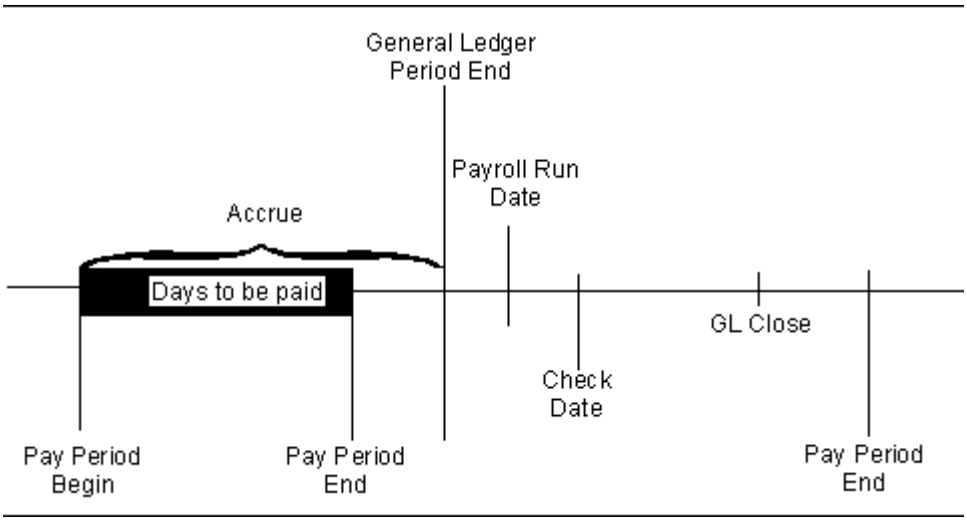
Payroll checks are dated next month, but all monies should be expensed to this month.



100% Actual + Estimated

Pay period begin date and pay period end date are before General Ledger period end, and check date is after General Ledger period end.

Payroll checks are dated next month for a pay cycle ending before the end of this month. All of this pay period should be expensed in this month, and it is necessary to estimate the expenses for the remainder of this month.



Cross-Charging

To split an employee's expenses between two or more GL companies, use this procedure.

Step	Action
1	Select the option to cross-charge on Screen 36.
2	Enter the GL company you want to charge the expenses to in the first four positions of the extended distribution code in the Employee Master File or on the ZT time entry transaction.
3	Establish a header record (transaction code, suffix, and indicator all zeros) for each level 1-level 2 in the GLI Table of Accounts indicating the GL company to which the level 1-level 2 is usually be charged.
4	Establish the loaned and borrowed account and center numbers in the GLI Table of Accounts using the GG and GH transactions.

The first four positions of the extended distribution code in the detail from Compute is compared to the GL company in the header record in the GLI Table of Accounts for the level 1-level 2. If it is different and the cross-charge option is **Yes**, the detail is posted to the GL company in the extended distribution code and the loaned and borrowed entries are generated to ensure balanced entries to both GL companies.

Note: Only Payroll expense items are subject to cross-charging.

Batch and Summarize Process

Journal Detail can be summarized by GL company, effective date, account and center number based on the GD summarize option. If you choose not to summarize, batches reflect the employee number in the Description 2 field.

The posting transactions are batched by GL company and effective date and batch header and trailer records containing control totals created.

This chart identifies the effective date for the posting transactions based on the month code (from the ZT/ZV or Screen 36) and the accrual type (from Screen 36 or the GL transaction).

Mo. Cd.	Accrual Code	Exp. Amts.	Liab. Amts.	Prepaid Charges	Prepaid Revrs.	Accrued Charges	Liab. Revrs.	Accrued Exp. Chgs.	Liab. Revrs.	Accrued Charges	Exp. Revrs.
N	b=nonaccrual	D/GLBD	C/PCD	D/PCD	C/GLBD						
C	b=non-accrual	D/PCD	C/PCD								
b	b=non-accrual	D/PCD	C/PCD								
N	1=actual %	D/PCD	C/PCD								
C	1=actual %	D/GLED	C/PCD			C/GLED	D/PCD				
b	1=actual %	D/PCD	C/PCD					D/GLED%	C/PCD%	C/GLED%	D/PCD%
N	2=estimated %	D/GLBD	C/PCD	D/PCD	C/GLBD						
b	2=estimated %	D/PCD	C/PCD					D/PCD%	C/GLBD%	C/PCD%	D/GLBD%
N	3=100% actual	D/GLBD	C/PCD	D/PCD	C/GLBD						
C	3=100% actual	D/GLED	C/PCD			C/GLED	D/PCD				
b	3=100% actual	D/GLED	C/PCD			C/GLED	D/PCD				
N	4=100% actual +est.%	D/GLBD	C/PCD	D/PCD	C/GLBD						
C	4=100% actual +est.%	D/GLED	C/PCD			C/GLED	D/PCD				
b	4=100% actual +est.%	D/GLED	C/PCD					D/GLED%	C/PCD%	C/GLED C/GLED%	D/PCD C/PCD%

CHART KEY

Month Code: N = Next
C = Current
b = Blank

Abbreviations: D = Debit
C = Credit
PCD = Payroll check Date (AA) Variable by Pay Frequency
GLBD = Genera Ledger Next Cycle Begin Date
GLED = General Ledger Current/Previous Cycle End Date

Step 5: Balancing Payroll to General Ledger

You can use the Payroll Recap report (PRG200) to balance your payroll reports each pay period. This report is produced by pay frequency and is separated by accepted and rejected totals. Be sure you are using the rejected and accepted totals for the level 1-level 2 to balance.

This table shows which fields on the Payroll Recap report should balance with information on the designated payroll report.

Recap Report Information	Balances to...
Gross Payroll	Payroll Register
Net Pay	
US Taxes:	**Tax Distribution Summary**
Employee Deductions	DOE Register
Arrears	Deductions Not Taken Report
Employer FICA	
Employer Medicare	
Employer FUI	
Employer SUI	
U.S. Federal Tax	
U.S. FICA Tax	
U.S. Medicare Tax	
U.S. State Tax	
U.S. SUI Tax	
U.S. SDI Tax	
U.S. City Tax	
Canadian Taxes:	**Canadian Employer Tax Summary**
Employer Quebec Medicare	
Employer-paid CPP	
Employer-paid QPP	
Employer-paid EI	
Employer-paid QPIP	
Canadian Federal Tax	
Canadian Provincial Tax	
Quebec Pension Tax	
Canadian EI Tax	
Quebec QPIP Tax	

If your Payroll Recap report shows **Adjustments Out of Balance**, you have processed an adjusting entry in payroll that did not balance. The balancing entry in GLI is a 5041 transaction code. You should have set up the item on your GLI Table of Accounts with a summarize option of **No** to display employee numbers in the Description 2 field on the PRG300 Summary report. Refer to the Summary report (PRG300) to find the adjustment's out-of-balance account.

Using the employee numbers listed, go back to the adjusting entry that was processed in this pay cycle and determine what is wrong. The following list shows some items that are commonly overlooked:

- Deduction or other earnings detail on the YD transaction
- State, county, or city tax on the YE transaction
- Net pay on the YA transactions

Some adjustments, however, must be processed as out of balance to correct a previous balancing problem.

When you correct the error in your next payroll cycle, you will find another offsetting 5041 transaction generated to correct the GL entry.

9 Managing Pay Information

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Introduction

This chapter discusses how to manage payroll information in the system. It covers such topics as

- Automatic Pay
- Time Entry Transactions
- Special Earnings Accumulation
- Job Cost Allocations
- Tax Calculations
- Negative Earnings.

Automatic Pay

The purpose of the automatic pay feature is to provide a means of producing a check for an employee with minimum data input.

An employee who is paid automatically has a paycheck produced each time the AA transaction for a Level 2 specifies to pay employees with this pay frequency. No time entry transaction is required.

You can set up an employee who consistently earns the same salary or works the same number of hours at the same rate as an auto-pay employee.

Naturally, you have the ability of overriding this facility. You can add extra pay and overtime or change or stop the auto-pay for an employee temporarily or permanently.

Automatic Pay Input

The system requires only two types of information to pay an employee automatically:

- Pay code
- Amount of pay

Pay Code Field

The Pay Code field is the field you use to indicate that the employee is automatically paid (Screen 218, 220, 40 or 37). A pay code of 4, 5, or 6 designates the employee as Time Card Not Required.

Because no time entry transaction is required, the employee's record must contain the amount of pay.

For hourly employees, this is the normal hour and normal rate.

For salaried employees, this is the salary amount for the pay period.

AA Transaction (Screens 13 and 14)

The AA transaction is used to tell the system when to pay automatically paid employees. The pay period that the system uses to determine when to apply DOEs also indicates when it is time to pay auto-pay employees.

For example, a value of 1, 2, 3, 4, or 5 in the WEEKLY PAYCD field activates automatic pay for all weekly paid employees in that organization whose pay code shows they do not need a time entry transaction to be paid.

Automatic Pay and Overtime

Any employee set up for auto-pay can also be paid overtime. This is accomplished by submitting a ZT time entry transaction (Screen 47 or 32) containing the data necessary to calculate the overtime pay. The fields in the ZT transaction for regular pay should be left blank (see the overriding auto-pay discussion later in this chapter).

In this way, the system pays the regular pay automatically when the AA transaction indicates to do so. The overtime from the information in the ZT time transaction is then added to the regular pay. The regular pay is **not** doubled.

Review the discussion on Overtime found in this chapter. The information there applies to paying overtime to auto-pay employees.

Stopping Auto-Pay

If you have an employee whose pay code indicates he or she is to be paid automatically and you do not want to pay that employee this pay period, only one entry is necessary.

Submit a ZT transaction with a time entry transaction code of R0. This stops the auto-pay for that employee. The effect is the same as omitting a time entry transaction for an employee who requires one to be paid. The employee is not paid.

For special purpose uses of the override auto-pay feature, see the Special Auto-Pay Overrides discussion later in this chapter.

To stop auto-pay permanently, change the pay code.

Reducing Auto-Pay

To pay an employee an amount less than the usual amount paid automatically, two entries are required:

- Use a ZT transaction to stop the auto-pay.
- Submit additional time entry transactions indicating the full amount to pay the employee.

Adding to Auto-Pay

To add extra pay for an auto-pay employee, submit a ZT transaction containing information about the extra pay.

- The regular amount of auto-pay is not replaced, doubled, or stopped.
- The extra pay is added to the usual auto-pay.

Regular Pay - ZT Transaction

Almost every employee has some form of regular pay, either a base salary or an amount to be paid for each hour worked. You can expand on that to pay overtime or special earnings such as commissions or bonuses or to apply different rates to hours spent on different jobs, and so on.

The simplest way to pay an employee regular pay is to use the auto-pay feature. If this does not fit your needs, you can use the ZT transaction.

The transaction must contain the control fields:

- Level 1
- Level 2
- Employee Number

The ZT transaction requires an additional control field, the Time Entry Transaction code. Usually, this contains a value of R1.

When an active employee is set up as time card required but no time transaction is entered, a message appears on the Payroll Compute Activity report and on the HRMS Employees Not Paid report.

ZT with No Pay Data

In its simplest form, the ZT transaction can trigger regular pay for an employee even though it contains no data beyond the control fields. If the employee record contains the necessary data, the transaction pays regular pay.

Pay Code Field

The Pay Code field (Screens 218, 220, 40, or 37) answers two questions:

- Is the employee to be paid automatically or is a time entry transaction required?
- Is the employee hourly, salaried, or salaried exempt from overtime?

The other fields apply to regular pay transactions:

Field	Description
HOURLY RATE	Contains the rate the hourly employee is usually paid for most or all of the hours he works.
NORMAL HOURS	Indicates the number of hours the hourly employee usually works in most pay periods.
SALARY	Contains the amount of regular pay a salaried employee is usually paid each pay period.

If the proper data is entered in the employee record and if that data is applicable to this pay period, the corresponding fields in the ZT transaction can be left blank.

This allows you to concentrate on the exception situations. It reduces not only the data preparation effort but also the possibility of manual error. Omitted data is obtained from the employee record as follows.

For a Salaried Employee

If the ZT transaction contains no pay data, the salary in the employee record is moved to the time entry transaction.

For an Hourly-Paid Employee

- If the time entry transaction contains neither hours nor rate, normal hours, and hourly rate in the employee record are moved to the time entry transaction.
- If the time entry transaction contains hours but no rate, the hourly rate from the employee record is moved into the time entry transaction.

This facility is very handy when dealing with employees whose rate is usually the same but whose number of hours worked varies.

This accommodates part-time employees or those who work a fluctuating schedule. This feature does not apply to time entry transactions submitted for employees whose pay code indicates they are to be paid automatically. For these people, data is not obtained from their employee record. Thus, you can pay them overtime, and so on, without being concerned that their regular pay might inadvertently be doubled.

ZT with Regular Pay Data

It is necessary for you to provide all the regular pay data in the ZT transaction if

- You do not choose to have an employee paid automatically by the system, and
- You do not want to have data taken from the employee record or the HRMS Tables File.

Salaried Employee

If the employee is salaried, the Rate field of the ZT transaction (Screen 47) must contain the amount of the salary as a two-decimal, dollars-and-cents figure. The following example shows how a salary of $685.25 appears:

```
ACTION: ____  CURR: 047  NEXT: 47
    L1: AA  L2: AA  EFF DATE: ________

                              TIME CARD ENTRY

   EMPLOYEE       **** REGULAR *****  **** OVERTIME ****          SPC
    NUMBER     CD HOURS    RATE/SAL    HOURS    RATE/SAL   CD DOE  HR
1: ______1234 R1 ______  68525_____  ______  ____________ _ __   __
2: __________ __ ______  ___________  ______  ____________ _ __   __
3: __________ __ ______  ___________  ______  ____________ _ __   __
4: __________ __ ______  ___________  ______  ____________ _ __   __
5: __________ __ ______  ___________  ______  ____________ _ __   __

   *** LEVELS ***  EXTENDED      WEEKS      NEG
    3    4    5   DIST CODE     PAID  MO EARN STATE SHIFT DIFF CODE
1: ____ ____ ____ __________    _____ _    _   __     _    __   _
2: ____ ____ ____ __________    _____ _    _   __     _    __   _
3: ____ ____ ____ __________    _____ _    _   __     _    __   _
4: ____ ____ ____ __________    _____ _    _   __     _    __   _
5: ____ ____ ____ __________    _____ _    _   __     _    __   _

                                   MESSAGE
```

Hourly-Paid Employee

For an hourly employee, the ZT transaction must specify the following information:

- The number of hours as a two-decimal figure in the Reg Hours field.
- The amount per hour, as a four-decimal figure in the Rate field.

An entry to pay 37½ hours at $3.28 ¼ per hour looks like this:

```
ACTION: ____  CURR: 047  NEXT: 47
    L1: AA  L2: AA  EFF DATE: ________

                                TIME CARD ENTRY

    EMPLOYEE       **** REGULAR *****  **** OVERTIME ****          SPC
     NUMBER     CD HOURS    RATE/SAL    HOURS    RATE/SAL   CD DOE  HR
1: ______1234 R1 37.50_ 32825_____ ______ ____________ _ __   __
2: __________ __ ______ ____________ ______ ____________ _ __   __
3: __________ __ ______ ____________ ______ ____________ _ __   __
4: __________ __ ______ ____________ ______ ____________ _ __   __
5: __________ __ ______ ____________ ______ ____________ _ __   __

   *** LEVELS ***  EXTENDED      WEEKS      NEG
     3    4    5   DIST CODE     PAID  MO EARN STATE SHIFT DIFF CODE
1: ____ ____ ____ __________    _____ _    _   __     _    __   _
2: ____ ____ ____ __________    _____ _    _   __     _    __   _
3: ____ ____ ____ __________    _____ _    _   __     _    __   _
4: ____ ____ ____ __________    _____ _    _   __     _    __   _
5: ____ ____ ____ __________    _____ _    _   __     _    __   _

                                    MESSAGE
```

Remember that total earnings (regular + overtime + other earnings) and all taxable wage accumulators must be positive for the employee after all time entry, automatic pay, and DOE earnings have been calculated. If any one or more are negative, all earnings for that check are zeroed out. Also, a message prints on the Payroll Compute Activity report telling you what was negative and that all ZT R1 transactions for the employee are not processed and no check is issued.

If you are passing hours statistics to Labor Distribution or the General Ledger Interface or both, some hours records may have already been processed. If that is the case, a message telling you how many hours were passed is printed.

Be careful if you have step DOE calculations based on earnings. If the basis for determining which step applies is reduced because current earnings are negative, the step calculation cannot be prorated against a previously calculated step.

Special Auto-Pay Overrides

In three special cases you can override an employee's automatic pay while paying a portion of it:

- Dock Pay
- Allocation of a portion of automatic pay to an Other earnings
- Payment of a number of hours or amount of salary while stopping the automatic pay

R0 Time Entry Transaction

The R0 time entry transaction can be used to generate R1 time entry transactions automatically for the following purposes:

- Docking an employee a certain number of hours or amount of salary
- Allocating a certain number of hours or amount of salary to an Other Earnings

Docking a Number of Hours or Amount of Salary

If **hours** are docked (for hourly employees only)

- Transaction position 89 (or 80) must be blank
- The hours to dock must be entered
- The hourly rate can be entered; if left blank, the standard rate is used.

If **salary** is docked (salaried employees only):

- Transaction position 89 (or 80) must be an asterisk (*)
- The salary to dock must be entered
- The number of hours equivalent to the salary being docked can be entered.

If the hours are entered, the difference between those hours and normal hours is used to update the hours accumulator. If the hours entered are zero, the difference is the normal hours.

The system generates an R1 time entry transaction for the difference between the normal hours or salary and the entered hours or salary. If the hours are not entered (blank), the hours accumulator is not updated.

Allocating Hours or Salary to an Other Earnings

To allocate hours worked or salary amount to an Other Earnings category:

- Transaction position 89 (or 80) must be an asterisk (*).
- The earnings code is blanked out in the generated R1 transaction. The R1 contains the difference between normal and entered hours or salary.

The system generates an additional R1 transaction with the same data entered through the R0 transaction.

For both special uses of the R0 transaction, all data fields except Labor Distribution fields are blank.

R1 and R0 Time Entry Transactions

The R1 time entry transaction can be used to generate an R0 time entry transaction automatically. This R0 stops the employee's automatic pay while paying a predetermined number of hours or a flat amount of pay.

- If hours are paid, the hours **must** be entered. The rate **can** be entered. If left blank, the normal rate is used.
- If a flat amount is paid, the amount must be entered. Do **not** enter hours.
- Transaction position 89 (or 80) must contain a pound sign (#).

The system generates a normal R0 time entry transaction to stop the automatic pay. It also outputs the R1 transaction as entered, except it blanks out position 80.

Screen Information for Examples 1 - 5

```
ACTION: ____  CURR: 047  NEXT: 47
    L1: AA  L2: AA  EFF DATE: ________

                              TIME CARD ENTRY

   EMPLOYEE      **** REGULAR ***** **** OVERTIME ****         SPC
    NUMBER    CD HOURS   RATE/SAL   HOURS   RATE/SAL  CD DOE  HR
1: _____40298 R0 10.00_ ___________ ______ ___________ _ __   __
2: _____38980 R0 ______ 10000______ ______ ___________ _ __   __
3: _____38450 R0 10.00_ 7500_______ ______ ___________ _ __   __
4: _____10765 R0 00.00_ 15000______ ______ ___________ _ __   __
5: _____40298 R0 10.00_ ___________ ______ ___________ _ __   __

   *** LEVELS ***  EXTENDED     WEEKS     NEG
    3    4    5   DIST CODE     PAID  MO EARN STATE SHIFT DIFF CODE
1: ____ ____ ____ ___________    _____ _    _   __      _    __   _
2: ____ ____ ____ ___________    _____ _    _   __      _    __   *
3: ____ ____ ____ ___________    _____ _    _   __      _    __   *
4: ____ ____ ____ ___________    _____ _    _   __      _    __   *
5: ____ ____ ____ ___________    _____ _    _   __      _    __   _

                                  MESSAGE
```

Example 1

Docking an hourly employee 10 hours from 40 normal hours at regular rate.

Step	Action
1	Enter an R0 time entry transaction with 10 hours. All other fields should be blank.
2	The system generates an R1 time entry transaction for 30 hours and substitutes the blank rate with the normal rate.

Example 2

Docking a salaried employee $100 from a normal salary of $300 and not updating the hours accumulator.

Step	Action
1	Enter an R0 time entry transaction with $100. Transaction position 89 (or 80) must have an asterisk (*). All other fields should be blank.
2	The system generates an R1 transaction with $200, blank hours, and an asterisk (*) in transaction position 89 (or 80).

Example 3

Docking a salaried employee $75 from a normal salary of $300 and 10 hours from 40 normal hours.

Step	Action
1	Enter an R0 time entry transaction with 10 hours, $75, and an asterisk in transaction position 89 (or 80). All other fields should be blank.
2	The system generates an R1 time transaction for 30 hours, $225, and an asterisk in transaction position 89 (or 80).

Example 4

Docking a salaried employee $150 from a normal salary of $300 and zero hours from 40 normal hours.

Step	Action
1	Enter an R0 time entry transaction with 0 hours, $150, and an asterisk in transaction position 89 (or 80).
2	The system generates an R1 time transaction for 40 hours, $150, and an asterisk in transaction position 89 (or 80).

Example 5

Distributing 10 hours of an hourly employee's 40 normal hours at regular rate to earnings code 28.

Step	Action
1	Enter an R0 time entry transaction with 10 hours and earnings code 28. All other fields should be blank.
2	The system generates two R1 time transactions. One has 10 hours to be distributed, the regular rate, and special earnings code 28. The other has 30 hours, the regular rate, and spaces in the SPECIAL EARNINGS CODE field.

Screen Information for Examples 6 - 10

```
ACTION: ____  CURR: 047  NEXT: 47
    L1: AA  L2: AA  EFF DATE: ________

                              TIME CARD ENTRY

   EMPLOYEE      **** REGULAR ***** **** OVERTIME ****        SPC
    NUMBER    CD HOURS   RATE/SAL   HOURS   RATE/SAL  CD DOE  HR
1: _____40298 R0 ______ 10000_____ ______ ___________ _ 28   __
2: _____20032 R0 10.00_ 7500______ ______ ___________ _ 28   __
3: _____20032 R0 00.00_ 10000_____ ______ ___________ _ 28   __
4: _____36239 R1 10.00_ __________ ______ ___________ _ __   __
5: _____20032 R1 ______ 10000_____ ______ ___________ _ 28   __

   *** LEVELS ***  EXTENDED     WEEKS     NEG
    3    4    5   DIST CODE     PAID  MO EARN STATE SHIFT DIFF CODE
1: ____ ____ ____ __________    _____ _    _   __     _    __   *
2: ____ ____ ____ __________    _____ _    _   __     _    __   *
3: ____ ____ ____ __________    _____ _    _   __     _    __   *
4: ____ ____ ____ __________    _____ _    _   __     _    __   #
5: ____ ____ ____ __________    _____ _    _   __     _    __   #

                                   MESSAGE
```

Example 6

Distributing $100 of a salaried employee's $300 normal salary, but not distributing any hours to earnings code 28.

Step	Action
1	Enter an R0 time entry transaction with $100, blank hours, special earnings code 28 in the Hour field, and an asterisk in transaction position 89 (or 80). All other fields should be blank.
2	The system generates two R1 time transactions. One has $100, blank hours, special earnings code 28. The other has blank hours, $200, and blank in the special earnings code field. Both transactions have an asterisk in transaction position 89 (or 80).

Example 7

Distributing $75 of a salaried employee's $300 normal salary and 10 hours of a normal 40 hours to special earnings 28.

Step	Action
1	Enter an R0 time entry transaction with $75, 10 hours, special earnings code 28 in the Hour field, and an asterisk in transaction position 89 (or 80). All other fields should be blank.
2	The system generates two R1 time entry transactions. One has $75, 10 hours and special earning code 28 in the Hour field. The other has $225, 30 hours, and blank for special earnings code in the Hour field.

Example 8

Distributing $100 of a salaried employee's $300 normal salary and 0 hours of 40 normal hours to special earnings code 28.

Step	Action
1	Enter an R0 time entry transaction with $100, 0 hours, special earnings code 28 in the Hour field, and an asterisk in transaction position 89 (or 80). All other fields should be blank.
2	The system generates two R1 time entry transactions. One has $100, 0 hours and special earning code 28 in the Hour field. The other has $200, 40 hours, and blank for special earnings code in the Hour field.

Example 9

Paying an hourly employee 10 hours at regular rate while stopping the regular pay.

Step	Action
1	Enter an R1 time entry transaction with 10 hours, blank regular rate, and a pound sign (#) in transaction position 89 (or 80). All other fields should be blank.
2	The system generates an R0 time entry transaction to stop the automatic pay.
3	The R1 time entry transaction is changed to have a blank in transaction position 89 (or 80).

Example 10

Paying a salaried employee $100 while stopping the regular pay.

Step	Action
1	Enter an R1 time entry transaction with blank hours and $100 and a pound sign (#) in transaction 89 (or 80) position. All other fields are blank.
2	The system generates an R0 time entry transaction to stop the automatic pay.
3	The R1 time entry transaction is changed to have a blank in transaction position 89 (or 80).

Negative Earnings on the ZT R1 Transaction

A number of ways to recover an over payment to an employee from a prior pay period are available.

Enter Fewer Hours for the Current Pay Period

For a time-entry-required employee, you can simply enter fewer hours for the current pay period. However, if the over payment involves overtime or one of the special earning categories you have established, you may also need to adjust some of the employee earnings or hours accumulators.

Enter a Negative Time Entry Transaction

Another method is to enter a negative time entry transaction for the amount of pay or number of hours you want to recover. The hours and amount of pay on that transaction will be subtracted from the employee's other current pay activity.

Considerations

If you choose this method, you must be sure the employee has sufficient other pay to ensure that current gross pay and all taxable wages (Federal, FICA, state, and so on) will be positive.

If total earnings (regular + overtime + other earnings) or any taxable wage accumulator is a negative after all earnings for an employee have been processed, the employee will not receive a regular check, and everything previously calculated for the employee will be cleared and set to zero.

Messages will appear on the Payroll Compute Activity report indicating which fields are negative and the amount. For the exact wording of messages, see the *Technical Guide*.

Subsequent Payment Activity

If the employee has any subsequent payment activity (R3, R4, R7, R8, R9, or any type ZV transaction), it will be processed as usual.

Using the Negative Earnings Indicator

You can submit a ZT R1 time entry transaction and, by using the negative earnings indicator, tell the system that the hours and dollars on this transaction are negative. You may be entering regular pay or one of the other earnings categories you have established.

All other features of the ZT R1 transaction work as described previously in this chapter, that is, if left blank for a time-entry-required employee, regular hours and rate or salary amount will be plugged in from the Employee Master File. Rates can be extracted from the HRMS Tables File. If a shift calculation is indicated, it will be negative also.

Altering the Number of Weeks Worked

If you need to alter the number of weeks worked for tax calculation purposes, you must do it on a positive time entry transaction.

Example 1

For example, you want to pay a time-entry-required employee for 40 regular hours and recover 3 hours of overtime pay that was erroneously paid for a prior pay period, so the following transactions is submitted:

```
ACTION: ____  CURR: 047  NEXT: 47
    L1: AA  L2: AA  EFF DATE: ________

                              TIME CARD ENTRY

   EMPLOYEE       **** REGULAR *****  **** OVERTIME ****          SPC
    NUMBER     CD HOURS    RATE/SAL    HOURS    RATE/SAL   CD DOE  HR
1: ______1234 R1 40.00_ ____________ ______ ____________ _ __   __
2: ______1234 R1 00.00_ ____________ 3.00__ ____________ J __   __
3: __________ __ ______ ____________ ______ ____________ _ __   __
4: __________ __ ______ ____________ ______ ____________ _ __   __
5: __________ __ ______ ____________ ______ ____________ _ __   __

   *** LEVELS ***  EXTENDED      WEEKS      NEG
    3    4    5   DIST CODE      PAID  MO EARN STATE SHIFT DIFF CODE
1: ____ ____ ____ __________     _____ _    _   __     _    __   _
2: ____ ____ ____ __________     _____ _    N   __     _    __   _
3: ____ ____ ____ __________     _____ _    _   __     _    __   _
4: ____ ____ ____ __________     _____ _    _   __     _    __   _
5: ____ ____ ____ __________     _____ _    _   __     _    __   _

                                    MESSAGE
```

- 40 regular hours will be paid at the employee's normal hourly rate
- Overtime is time and one half times the normal hourly rate.
- Regular hours in the negative time entry transaction is zero filled so that the system will not plug in the normal pay data from the Employee Master File.
- The overtime pay will be subtracted from the employee's current pay on this check.

Example 2

To subtract 10 hours from special hours accumulator 10 and $100.00 from DOE 17, you enter the following transaction:

```
ACTION: ____  CURR: 047  NEXT: 47
    L1: AA  L2: AA  EFF DATE: ________

                              TIME CARD ENTRY

   EMPLOYEE       **** REGULAR *****  **** OVERTIME ****          SPC
    NUMBER     CD HOURS    RATE/SAL    HOURS    RATE/SAL   CD DOE  HR
1: ______1234 R1 10.00_ 10000______ _______ ____________ _ 17   10
2: __________ __ _______ ___________ _______ ____________ _ __   __
3: __________ __ _______ ___________ _______ ____________ _ __   __
4: __________ __ _______ ___________ _______ ____________ _ __   __
5: __________ __ _______ ___________ _______ ____________ _ __   __

   *** LEVELS ***  EXTENDED      WEEKS      NEG
    3    4    5   DIST CODE     PAID  MO EARN STATE SHIFT DIFF CODE
1: ____ ____ ____ __________    _____ _    N   __     _    __    *
2: ____ ____ ____ __________    _____ _    _   __     _    __    _
3: ____ ____ ____ __________    _____ _    _   __     _    __    _
4: ____ ____ ____ __________    _____ _    _   __     _    __    _
5: ____ ____ ____ __________    _____ _    _   __     _    __    _

                                   MESSAGE
```

Accumulators and Calculations for Negative Earnings

Remember that total earnings (regular + overtime + other earnings) and taxable wage accumulators must be positive for the employee after all time entry, automatic pay, and DOE earnings have been calculated.

If any earning is negative, all earnings for that check are zeroed out. Also, a message prints on the Payroll Compute Activity report telling you what was negative and that all ZT R1 transactions for the employee are not processed and no check is issued.

Hours Statistics

If the system is set up to pass hours statistics to Labor Distribution or the General Ledger Interface or both, some hours records may have already been processed. If that is the case, a message telling you how many hours were passed is printed.

DOEs Step Calculations

Be careful if you have step DOE calculations based on earnings. If the basis for determining which step applies is reduced because current earnings are negative, the step calculation cannot be prorated against a previously calculated step.

Tips for Using Negative Earnings

These are the important facts to keep in mind when using the negative earnings feature:

- The negative indicator can only be used on the ZT R1 transactions
- It can be used to indicate that regular, overtime, or any other earnings and hours are negative.
- Current total gross pay and all individual taxable wage accumulators must be positive. If not, the regular check for the employee will not be produced.
- Review the Payroll Compute Activity report for any messages about negative activity.

Using the Rate Table

The hourly rate for an employee can be obtained from the rate table on the HRMS Tables File.

You can establish a rate table using Screen 317. The rate table contains a regular rate, overtime rate and vacation rate associated with a rate code. With this table, you can establish rates based on jobs in your organization. The batch transaction is a TG.

```
ACTION: ____
 L1: TN L2: RA

 NEXT RATE CODE: ______
                                RATE TABLE

                    RATE      REGULAR     OVERTIME    VACATION
                    CODE       RATE         RATE        RATE

                     074      0050000     0050000
                     090      0075000     0075000




   INSERT NEW RATES:
                    ______    ________    ________    ________
```

When paying an employee, you can enter the rate code on the ZT or ZV time entry transaction or both and values from the HRMS Table File associated with the code are used.

Example

```
ACTION: ____  CURR: 047  NEXT: 47
    L1: AA  L2: AA  EFF DATE: ________

                              TIME CARD ENTRY

   EMPLOYEE       **** REGULAR *****  **** OVERTIME ****          SPC
    NUMBER    CD HOURS   RATE/SAL    HOURS   RATE/SAL   CD DOE   HR
1: ____648293 R1 20.00_ *074_______  10.00_ 70000______ _ __    __
2: ____648222 R1 20.00_ *090_______  10.00_ *090_______ _ __    __
3: __________ __ ______ ____________ ______ ____________ _ __    __
4: __________ __ ______ ____________ ______ ____________ _ __    __
5: __________ __ ______ ____________ ______ ____________ _ __    __

   *** LEVELS ***  EXTENDED     WEEKS     NEG
    3    4    5   DIST CODE     PAID  MO EARN STATE SHIFT DIFF CODE
1: ____ ____ ____ __________    _____ _    _   __     _    __   _
2: ____ ____ ____ __________    _____ _    _   __     _    __   _
3: ____ ____ ____ __________    _____ _    _   __     _    __   _
4: ____ ____ ____ __________    _____ _    _   __     _    __   _
5: ____ ____ ____ __________    _____ _    _   __     _    __   _

                                   MESSAGE
```

On the first ZT R1 transaction, the employee is being paid 20 regular hours at $5.00 per hour (code 074) and 10 overtime hours at $7.00 per hour.

On the second ZT R1 transaction, the employee is being paid 20 regular hours at $7.50 per hour (code 090) and 10 overtime hours using the same code as previously entered on this transaction ($7.50 per hour, code 090).

The rate table feature can be used on all types of ZT and ZV time entry transactions to indicate that a HRMS Tables File amount is used instead of an amount entered on the time entry, as follows:

- If the code entered on the time entry transaction has no corresponding HRMS Tables File code, the appropriate Employee Master File rates are used. A warning message indicating this condition is printed on the Transactions Validation report.
- If the code entered on the time entry transaction has a corresponding HRMS Tables File code with no values in the amount fields, blanks are used on the time entry transaction. A warning message indicating this condition is printed on the Transactions Validation report.

- If an asterisk (*) with no code is entered on the time entry transaction, the appropriate Employee Master File rates are used. A warning message is printed on the Transactions Validation report.
- If the code entered on the time entry transaction has a corresponding HRMS Tables File code with zeros in the amount fields, zeros are used on the time entry transaction.
- If the overtime rate stored on the HRMS Tables File reflects the overtime factor, and you enter an overtime code of 1 on the ZT transaction, the system cannot determine the overtime premium for the state SALTA.

Canadian Employment Insurance

Canadian Employment Insurance (EI) reporting requires the allocation of insurable hours and insurable wages by pay period and date. Withholding is based on EI insurable wages up to the annual maximum. After reaching that point, insurable wages and hours continue to be accumulated but withholding ceases until the next year.

Total insurable earnings without regard to any limit are maintained in the Employee 202 Segment. The system determines the amount on which taxes are calculated and withheld up to the limit and that is maintained in the Employee 203 Segment.

Total insurable wages are maintained by province and EI rate code in the tax segments (T4 or Relevé 1 as required).

Total insurable earnings and hours are maintained by pay period end date in the 390-393 segments for EI and the 395-398 segments for QPIP.

Paying a Canadian Employee

To have hours available paid under Title I of the January 1, 1979, Unemployment Insurance Regulations, Section 54, the following information is required:

Employee Pay Code	Entry
1	Normal hours and normal rate fields can be entered, but they are not required. Hours worked are required on all ZT transactions.
2 and 3	Normal salary fields can be entered. However, they are not required. Hours worked are required on all transactions entered.
4	Hourly rate and normal hours fields are required on the Employee Master File (Screens 218, 220, 40 or 37). Hours worked are required on all ZT transactions.
5 and 6	Normal salary fields and normal hours fields are required. Hours worked are required on all ZT transactions entered.

Establishing Tax Segments

Employee T4 and Relevé 1 tax segments are automatically established when an employee is added to the system. When a transaction is processed that updates tax segment fields, the required T4, TA, Relevé 1 or Relevé 2 tax segments are established.

To determine which types of tax segments to establish, the system uses

- The employer EI rate code from the employee's 203 segment
- The province code indicated on the ZT and ZV transactions or from the employee's 203 segment, if not specified on the transaction

The system ensures the maximum number of tax segments (20) is not exceeded for any employee. If a transaction is processed that would create a twenty-first tax segment, that transaction is rejected.

This message appears on the Transactions Validation report:

NO ROOM IN TAX SEGMENT TABLE REJECTED

Canadian Taxing

The system uses federal and provincial tax exemption and tax credit amounts when calculating taxes. When the 206 segment federal tax authority and a provincial tax authority match, the system uses the tax exemption and tax credit amounts from both the federal authority and the matching work province provincial authority. When the 206 segment federal tax authority and one of the provincial tax authorities do not match, the system has to determine what exemption or credit amounts to use for the work province.

The exemption or credit amounts to use for work province are determined as follows:

Payment Method	206 Segment Provinces	Tax Authority for Tax Calculation	Exemption Amounts Used
Automatically paid	Federal tax authority matches one of the provincial tax authorities	The matching province	206 segment amounts of the matched provincial tax authority
Automatically paid	Federal tax authority does not match one of the provincial tax authorities	Federal tax authority	HRMS Tables File basic personal amount for the federal tax authority
Time card without a provincial code	Federal tax authority matches one the provincial tax authorities	The matching province	206 segment amounts of the matched provincial tax authority
Time card without a provincial code	Federal tax authority does not match one of the provincial tax authorities	Federal tax authority	HRMS Tables File basic personal amount for the federal tax authority
Time card with a provincial code	One of the provincial tax authorities matches the time card provincial code	Time card province code	206 segment amounts of the matched provincial tax authority
Time card with a provincial code	None of the provincial tax authorities matches the time card provincial code	Time card province code	HRMS Tables File basic personal amount for the time card province

Taxing Order for Cash Wages

The order in which taxes are calculated on cash wages depends on whether Quebec is the provincial tax authority.

Quebec

This order is used for employees subject to the Quebec tax authority:

1. EI Tax
2. Federal Income Tax
3. CPP/QPP Tax
4. QPIP Tax
5. Provincial Income Tax

Provinces Other Than Quebec

This order is used for employees subject to provincial tax authorities other than Quebec:

1. EI Tax
2. CPP/QPP Tax
3. Federal Income Tax
4. Provincial Income Tax

Employment Insurance (EI) Hours and Wage Accumulation

The TF transaction must be used to establish the hours and wages accumulators on the HRMS Tables File. These accumulators will be used for both the EI and QPIP tax calculation. Taxing options for DOEs are specified on Screen 330.

Special Pay - ZT Transaction

Besides regular pay, many kinds of special pay are available: vacation, overtime, shift premium, tips, meals, commissions, bonuses, and countless others. The format for the ZT transaction is found in the *Transactions Descriptions* guide. When referencing the number of decimal positions, it is important to remember the decimal position is typed in Hours fields and assumed in Rate/Salary fields. A rate is 4 decimals, a salary is 2 decimals.

Overtime

The system can calculate overtime in half-time increments from half-time through triple-time. The hours are accumulated into the special overtime hours accumulator in the employee record.

The amount of overtime earnings is accumulated into the special overtime earnings accumulator in the employee record. It can be allocated to any number of job-cost controls.

Any employee can be paid overtime pay. If you are paying overtime to an employee whose pay code indicates that the employee is salaried, exempt from overtime, the Transactions Validation report contains this message for the employee:

OVERTIME FOR EXEMPT EMPLOYEE - WARNING

The system does not **stop** overtime payment, but it does warn you about it.

Overtime Fields

To pay overtime, the following fields must be entered on Screen 47 (ZT transaction):

- Overtime Code
- Overtime Hours
- Overtime Rate or Amount

OVERTIME CODE

This code indicates the overtime pay factor. The ranges are from half-time through triple-time, in quarter-time steps. An overtime factor of asterisk (*) indicates that overtime hours and overtime amount are entered, and the amount is paid as is.

Depending on the code you use and the way you enter the hours, the system handles overtime either as the full amount or as only the half-time premium with the straight time portion recorded as regular pay.

You can keep track of time-and-a-half in the way your accounting department prefers. This flexibility applies only to time-and-a-half overtime.

During the calculation of overtime pay, the system computes the amount of the premium (based on the overtime code) and records it in the employee record. If the overtime code calls for a simple half-time, the overtime pay computed is assumed to be all premium.

For any other overtime code except *, the following formula is used to determine how much of the overtime pay is premium:

Overtime hours x overtime hourly rate x factor
- Overtime hours x overtime hourly rate
= Premium

Example

An employee with an overtime hourly rate of $3.50 gets time-and-a-half for 3 hours:

3 x 3.50 x 1.5	=	$15.75
3 x 3.50	=	10.50
	Premium $	5.25

OVERTIME HOURS

This is a two-decimal field containing the number of hours to be multiplied by the hourly rate and the factor represented by the overtime code.

OVERTIME RATE OR AMOUNT

For either hourly or salaried employees, this is a four-decimal rate to be multiplied by the overtime hours and the factor represented by the overtime code.

For salaried employees, it can be used as a two-decimal field to enter the amount of overtime pay. In this case, the Overtime Hours field must be blank, except when the Overtime Code is *.

Example

For the employee in the preceding scenario, the ZT overtime entries to pay time-and-a-half for three hours at a rate of $3.50 are as follows:

```
ACTION: ____  CURR: 047  NEXT: 47
    L1: AA  L2: AA  EFF DATE: ________

                              TIME CARD ENTRY

   EMPLOYEE       **** REGULAR *****  **** OVERTIME ****          SPC
    NUMBER     CD HOURS    RATE/SAL    HOURS    RATE/SAL   CD DOE  HR
1: ______1234 R1 ______ ____________ 3.00__ 35000______  J __   __
2: __________ __ ______ ____________ ______ ____________ _ __   __
3: __________ __ ______ ____________ ______ ____________ _ __   __
4: __________ __ ______ ____________ ______ ____________ _ __   __
5: __________ __ ______ ____________ ______ ____________ _ __   __

   *** LEVELS ***   EXTENDED      WEEKS      NEG
    3    4    5    DIST CODE      PAID  MO EARN STATE SHIFT DIFF CODE
1: ____ ____ ____ __________     _____ _    _   __     _    __   _
2: ____ ____ ____ __________     _____ _    _   __     _    __   _
3: ____ ____ ____ __________     _____ _    _   __     _    __   _
4: ____ ____ ____ __________     _____ _    _   __     _    __   _
5: ____ ____ ____ __________     _____ _    _   __     _    __   _

                                    MESSAGE
```

Bonus Pay

The paying of a bonus usually involves some special considerations, particularly in the calculation of taxes and the applicability of voluntary deductions. Also, management generally wants to know how much is spent on bonus pay. This means keeping a separate accumulation of these wages.

To tell the system how much bonus wages to pay, place the amount of the payment in the regular salary field (Rate field) on Screen 47 as a two-decimal, dollars-and-cents amount.

This example shows a bonus of $800.

```
ACTION: ____  CURR: 047  NEXT: 47
    L1: AA  L2: AA  EFF DATE: ________

                                TIME CARD ENTRY

   EMPLOYEE       **** REGULAR ***** **** OVERTIME ****         SPC
    NUMBER    CD HOURS   RATE/SAL   HOURS   RATE/SAL  CD DOE  HR
1: ______1234 R1 ______ 80000_____ ______ ____________ _ __   __
2: __________ __ ______ ____________ ______ ____________ _ __   __
3: __________ __ ______ ____________ ______ ____________ _ __   __
4: __________ __ ______ ____________ ______ ____________ _ __   __
5: __________ __ ______ ____________ ______ ____________ _ __   __

   *** LEVELS ***  EXTENDED     WEEKS     NEG
    3    4    5   DIST CODE     PAID  MO EARN STATE SHIFT DIFF CODE
1: ____ ____ ____ __________    _____ _    _   __     _    __   _
2: ____ ____ ____ __________    _____ _    _   __     _    __   _
3: ____ ____ ____ __________    _____ _    _   __     _    __   _
4: ____ ____ ____ __________    _____ _    _   __     _    __   _
5: ____ ____ ____ __________    _____ _    _   __     _    __   _

                                    MESSAGE
```

Taxing Bonus Pay

Bonus pay can be taxed in one of three ways:

- Regular calculation
- Supplemental calculation
- Aggregate calculation

Regular calculation is activated by any time entry transaction other than R7, R8, R9, V7, V8, or V9. The aggregate calculation is activated by time entry transactions R7, R8, V7, and V8.

Supplemental calculation is activated by identifying the payment as a supplemental taxable DOE (type codes: P, U, W, and Y). When a supplemental taxable DOE is paid through a ZT, R7, R8, ZV, V7, or V8 transaction, the aggregate calculation takes place.

Tips

Wages earned in the form of tips require special consideration.

Tips must be added in with other earnings for calculation of taxes, and so on. In most cases, the employee has already received the money. Therefore, the amount of the tips must be taken back out of the net pay before the check is written.

Great care should be taken to see that sufficient other earnings are found to cover taxes and voluntary deductions. If not, taxes will reduce net pay until net pay is zero as follows:

Taxes on cash wages in order:

- FICA/Medicare Tax
- Federal Income Tax
- Primary State Income Tax
- Other State Income Tax
- Employee SDI/SUI Tax
- Local Tax

Taxes on reported tip amounts in order:

- FICA/Medicare Tax
- Federal Income Tax
- Primary State Income Tax
- Other State Income Tax
- Employee SDI/SUI Tax
- Local Tax

This ensures that net pay is not negative. This could mean that at the end of the year the employee is left owing a large tax bill or has to pay the employer for some deduction that could not be taken.

Processing Tips

Proper processing of tips requires certain one-time information at both the organization and employee levels. Thereafter, the only requirement is a time entry transaction indicating that the earnings are tips and the amount.

At the organization level, it is necessary to dedicate and name the other earnings in which tips are to accumulated. While this is **optional** for most earnings types, depending on your organization's need to accumulate them separately, this is not the case with tips for U.S. organizations. To satisfy the W-2 requirements, it is **mandatory** that tips have a DOE dedicated to their accumulation.

In this example, the DOE code 01 is reserved for tips, using the DOE-001 transaction. The name is also provided to appear on reports.

```
ACTION: ____
L1: AL L2: WA

NEXT DOE CODE: JG

                        ORGANIZATION DOE INFORMATION

  DOE       TYPE               VAC ********* TAXING OPTIONS ********  ** ACH ***
  CD  PRTY  CODE  DESCRIPTION  IND FED ST CNTY CITY FICA FUI SUI/SDI  IND TYP CD
JA 0003   J   OH SCHOOL DIST       1   1   1   1    1    1     1
JB 0003   J   DED EMP AMT         1   1   1   1    1    1     1
JC 0003   J   DED EMP %        *   1   1   1   1    1    1     1
JD 0003   J   DED TBL AMT         1   1   1   1    1    1     1
JE 0003   J   DED TBL %           1   1   1   1    1    1     1
JF 0003   J   DED STEP CALC       1   1   1   1    1    1     1


INSERT NEW DOE CODES:
01 0001   Q   TIPS EARNED___    _   1   1   1   1    1    1     1      _   _ __



                                                                        330
```

Screen 225 or the NK/RK transaction provides the system with the detail information it needs to handle the DOE for this employee.

```
ACTION: ____ CURRENT: 225 NEXT: ___
L1: AL L2: WA EMPLOYEE NO:       1010

                          EMPLOYEE DOE ADD

NAME: MARTIN,  KENNY                          DATE LAST MAINTENANCE: 2000/10/02

            DOE CODE:     01                  DOE NAME:     TIPS EARNED

            METHOD CODE:  1                   PERIOD CODE:  A
            TYPE CODE:    9
            AMOUNT                            LIMIT AMOUNT: _____________
              OR PERCENT: _____________       TABLE NO.:    ___
(CCYYMMDD)  START DATE:   _________           STOP DATE:    _________ (CCYYMMDD)
NO SLASHES  SORT FIELD:   _____                                       NO SLASHES

           *TAXING OPTIONS*
               FEDERAL:        1              FICA:         2
               STATE:          1              FUI:          1
               COUNTY:         1              SUI/SDI:      1
               CITY:           1
```

When setting up the taxing option for FICA, select a value of 2 to accumulate and tax the employee and **not** accumulate employer FICA wages.

For each pay period, the amount of the employee's tips should be entered on a ZT transaction (Screen 47) in the Regular Salary field. In the Special Earnings Code field, specify the DOE code for tips.

The example shows that this employee earned tips of $148.62, which should be accumulated in DOE 01.

```
ACTION: ____  CURR: 047  NEXT: 47
    L1: AL  L2: WA  EFF DATE: ________

                              TIME CARD ENTRY

   EMPLOYEE       **** REGULAR *****  **** OVERTIME ****          SPC
    NUMBER     CD HOURS    RATE/SAL    HOURS    RATE/SAL   CD DOE  HR
1: ______1010 R1 ______  14862______ ______ ____________ _ 01   __
2: __________ __ ______ ____________ ______ ____________ _ __   __
3: __________ __ ______ ____________ ______ ____________ _ __   __
4: __________ __ ______ ____________ ______ ____________ _ __   __
5: __________ __ ______ ____________ ______ ____________ _ __   __

   *** LEVELS ***  EXTENDED      WEEKS      NEG
    3    4    5   DIST CODE      PAID  MO EARN STATE SHIFT DIFF CODE
1: ____ ____ ____ __________     _____ _    _   __     _    __   _
2: ____ ____ ____ __________     _____ _    _   __     _    __   _
3: ____ ____ ____ __________     _____ _    _   __     _    __   _
4: ____ ____ ____ __________     _____ _    _   __     _    __   _
5: ____ ____ ____ __________     _____ _    _   __     _    __   _

                                    MESSAGE
```

As long as all of the information is correctly recorded, the system adds tips to the employee and employer Social Security/Medicare accumulators based on the taxing options. Both these accumulations are compared to the current Social Security/Medicare taxable wage base maximum independently. They do not reach the limit at the same time.

Bypassing DOEs for Bonus Pay

Because bonus payments are special earnings, most organizations want some or all voluntary deductions to be ignored. If you want to ignore all DOEs and have elected to have the bonus taxed by the aggregate formula, the ZT transaction that contains the bonus should have a time entry transaction code of R8.

The R8 indicates to the system that all DOEs should be bypassed and taxes on the bonus should be computed by the aggregate formula.

If you want to bypass all DOEs (regardless of which taxing method you choose), use Screen 17, Priority Overrides. The purpose of this screen is to let you **temporarily** change the processing priority of DOEs.

DOE Priority Overrides

Screen 17 generates CD-1 and CE-1 transactions that allow DOE priority overrides for a selected run. Two types of overrides are provided. Only one type of override will be allowed for an organization (Level 2) per run.

An override indicator of **A** in the Temporary Override Type field tells the system to activate only the DOEs entered on the screen for this run.

All other organization DOEs established in the HRMS Tables File for this organization will be treated as inactive (priority 0000).

The other option is indicated by **C**. This tells the system to change the priority of the DOEs entered on the screen. The priority of all other organization DOEs established on the HRMS Tables File will not be changed.

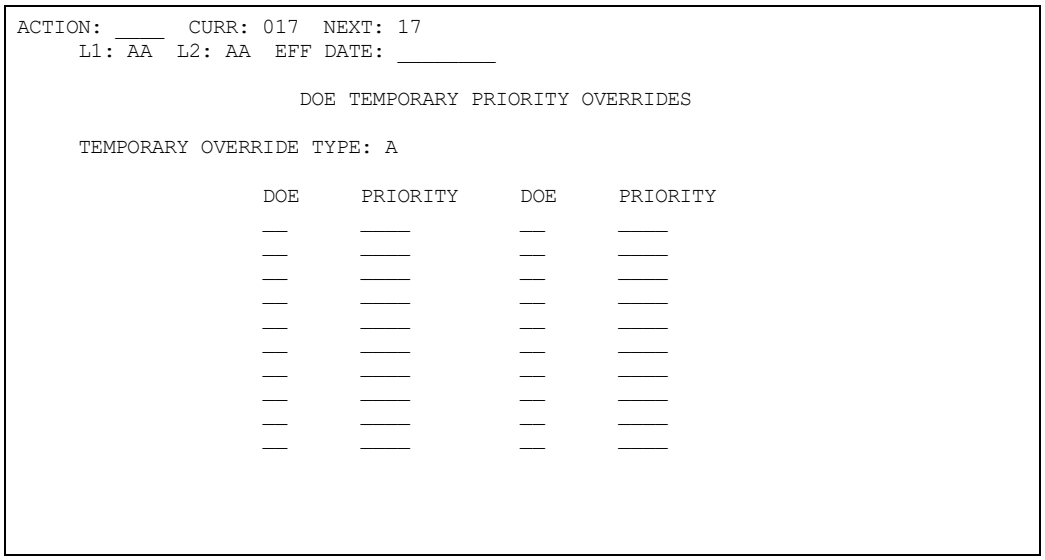
Temporary Override Type Field

The Temporary Override Type field is used along with the DOEs selected. If no DOEs are entered with the override type (override indicator of A), all DOEs for the current run will be inactive.

The DOE codes along with the priority you want to assign for this run must be entered on the screen. The priority can be 0000 - 1295. Duplicate priorities are allowed. The DOEs would be processed in sequence by DOE code. If a priority of 0000 is entered, the DOE will be treated as inactive for this organization.

The CD-1 and CE-1 generated transactions must pass the Validate program. If they are correct, they will be used by the Compute program. Because they are for temporary overrides, the information will not be stored on the Employee Master File or HRMS Tables File.

The following examples reflect the use of the CD-1 and CE-1 transactions.



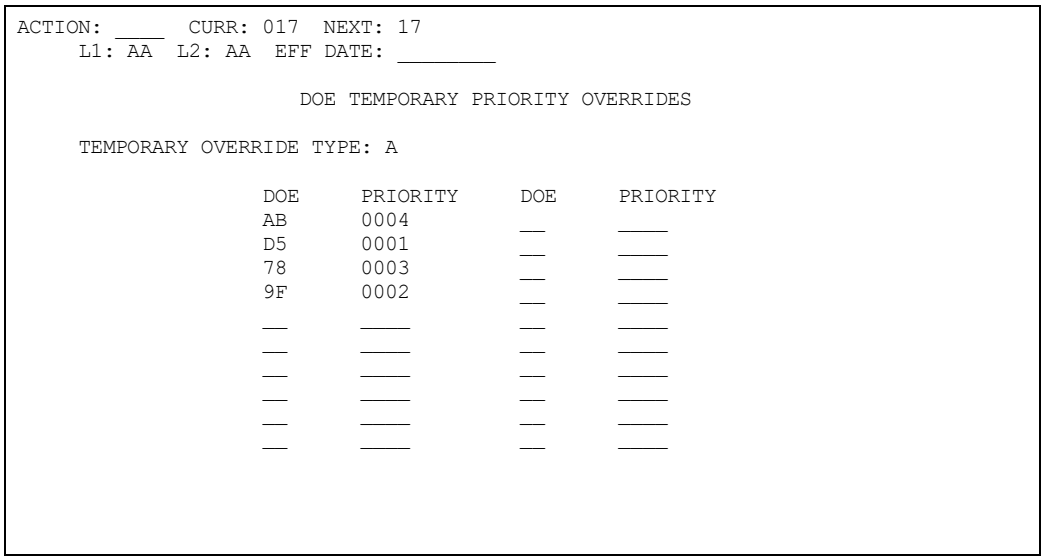
```
ACTION: ____  CURR: 017  NEXT: 17
     L1: AA  L2: AA  EFF DATE: ________

                      DOE TEMPORARY PRIORITY OVERRIDES

     TEMPORARY OVERRIDE TYPE: A

                    DOE     PRIORITY     DOE     PRIORITY
                    __      _____        __      _____
                    __      _____        __      _____
                    __      _____        __      _____
                    __      _____        __      _____
                    __      _____        __      _____
                    __      _____        __      _____
                    __      _____        __      _____
                    __      _____        __      _____
                    __      _____        __      _____
                    __      _____        __      _____
```

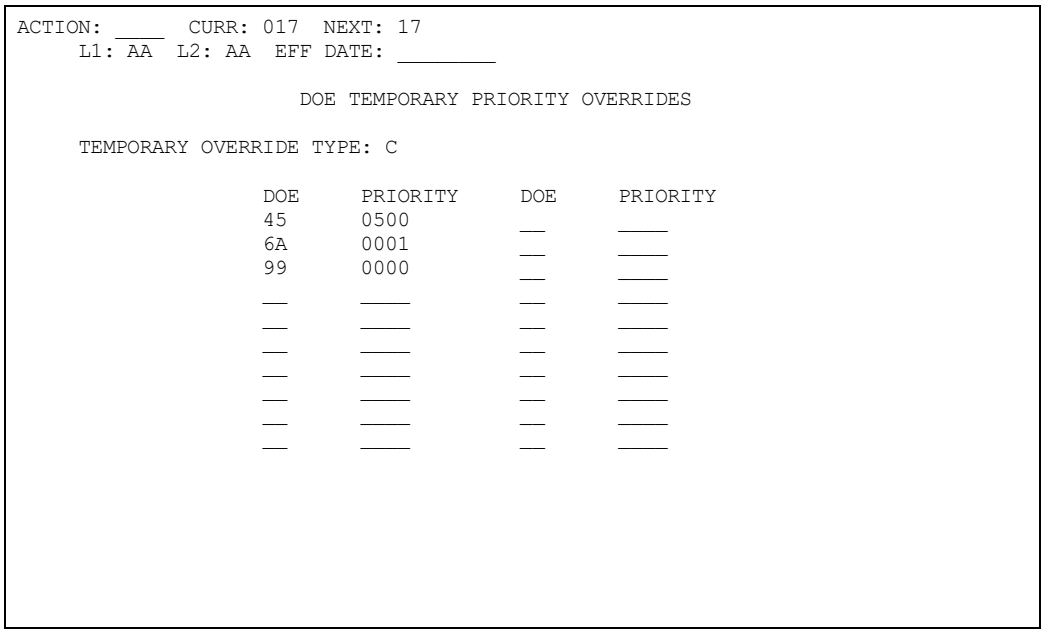
In the example, to override all of the priorities of all the organization DOEs, enter an A in column 17.



The override type of A is entered in the Temporary Override Type field, to only select DOEs in this run. DOE codes AB, D5, 78, and 9F will be taken in this system run. Therefore

- AB is entered in the first field of the DOE column with the priority of 0004.
- DOE code D5 is entered on the second line with a priority of 0001.
- DOE code 78 is entered on the third line with a priority 0003.
- DOE code 9F is entered on the fourth line with a priority of 0002.

For this run, only DOEs AB, D5, 78, and 9F will be taken in this order: D5, 9F, 78, and AB.



The Temporary Override Type field must specify an option of **C**. In the example, the priorities for DOE codes 45, 6A, and 99 are being changed.

- The priority of DOE 45 is being changed to 0500.
- The priority for DOE 6A is being changed to 0001.
- The priority for DOE 99 is being changed to 0000.

The priorities for all other DOEs established for the organization remain the same. If another DOE is already set up with a priority of 001, both DOE 6A and that DOE will be processed.

If they are the same type of DOE, they will be processed in DOE code order. The same applies to DOE 45 if another DOE already has a priority of 0500. For this run, DOE 99 will be treated as inactive (0000) and will be ignored.

Special Hours

Many organizations find it necessary to keep separate accumulations of the hours spent in certain types of activity. For example, management might want to know how much time is lost because employees are sick or traveling between locations or attending training classes. In a manufacturing environment, it can be helpful to know how much time employees lose because of equipment down-time or waiting for work.

The system has 92 areas available for reporting work hours. Two of these are reserved by the system for accumulating regular hours and overtime hours. The remaining 90 are available for you to name and use as you see fit.

After you identify the kinds of hours to account for, you must identify them to the system in the HRMS Tables File. This is done using Screen 333 or the DOE-SPH transaction. The name you enter here for each category is the name that identifies that accumulator on reports.

This example shows the description assigned to special hours categories 01, 02, 03, and 04 respectively.

```
ACTION: ____
L1: AA L2: AA

NEXT SPECIAL HOURS CODE  __

                  ORGANIZATION SPECIAL HOURS INFORMATION

   SPECIAL HOURS    DOE      SPECIAL HOURS    DOE        SPECIAL HOURS    DOE
  CODE/DESCRIPTION  TIE     CODE/DESCRIPTION  TIE       CODE/DESCRIPTION  TIE
    01   SICK HRS             02   DOWNTIME               03   TRAVEL
    04   HOLIDAY




INSERT NEW SPECIAL HOURS CODE AND DOE TIE:
    __   ________    __       __   ________    __         __   ________    __
                                                                          333
```

After these special hours are established, hours are accumulated in them by indicating on the ZT transaction to which one of the 90 categories to add the hours contained in the transaction.

In the ZT transaction (Screen 47), the Special Hours code indicates to which of the special hours accumulator to add the paid hours.

If the special hours indicator is left blank, the hours are added to the regular hours accumulator.

The following example shows a time entry transaction for 1½ hours lost to machine down-time established earlier as special hours code 02.

```
ACTION: ____  CURR: 047  NEXT: 47
    L1: AA  L2: AA  EFF DATE: ________

                              TIME CARD ENTRY

   EMPLOYEE      **** REGULAR *****  **** OVERTIME ****         SPC
    NUMBER    CD HOURS   RATE/SAL   HOURS   RATE/SAL  CD DOE   HR
1: ______2346 R1 1.50__ ____________ ______ ____________ _ 02    __
2: __________ __ ______ ____________ ______ ____________ _ __    __
3: __________ __ ______ ____________ ______ ____________ _ __    __
4: __________ __ ______ ____________ ______ ____________ _ __    __
5: __________ __ ______ ____________ ______ ____________ _ __    __

   *** LEVELS ***  EXTENDED     WEEKS     NEG
    3    4    5   DIST CODE     PAID  MO EARN STATE SHIFT DIFF CODE
1: ____ ____ ____ __________    _____ _    _   __     _    __   _
2: ____ ____ ____ __________    _____ _    _   __     _    __   _
3: ____ ____ ____ __________    _____ _    _   __     _    __   _
4: ____ ____ ____ __________    _____ _    _   __     _    __   _
5: ____ ____ ____ __________    _____ _    _   __     _    __   _

                                   MESSAGE
```

The Hours Register shows for each employee the non-zero regular, overtime, and 90 special hours categories. It is an effective tool in the analysis of time efficiency. See the *Transactions Descriptions* guide.

Other Earnings

Most organizations have certain kinds of special earnings for which they want to keep separate records. For instance, management often wants to know how much the organization spends paying vacation, holiday, sick pay, shift premium, and so on.

Also, some categories of earnings require special consideration in their processing, such as tips, non-taxable sick pay, meals, and earnings reported on 1099 forms.

These needs are met through the use of Other Earnings DOEs. DOEs are maintained on the HRMS Tables File. The details of what is required to establish an Other earnings category are discussed in the Putting an Organization on the System and the Managing Employee Information chapters in this guide.

Highly Compensated ZU Transaction

The 120-character ZT transaction, online screen 32 (Canada) or 47 (U.S.), accommodates payments of salary or other earnings of up to 999,999,999.99. If you are restricted to 80-character input, the ZU transaction is available to enter amounts up to the same 999,999,999.99 limit. The ZU transaction has limited ZT functionality, and it is not associated with an online screen. See the ZU transaction in the *Transaction Descriptions* guide.

Labor Distribution Controls - ZT and ZV Transactions

Several ways of providing information to the system about job cost allocation for an employee's earnings are available. This depends on whether the employee is paid automatically or requires time entry transactions and whether his job assignments are consistently the same or vary between pay periods.

Home Controls

The simplest situation is the one in which all the employee's earnings are always allocated to the same distribution controls. The control information is recorded in the employee's record. Each time the employee is paid, the earnings are automatically distributed to those controls.

These home or normal controls consist of the Level 3, 4, and 5 and extended distribution codes that are entered on screens 218/222, 40/37. This basic method applies to all employees, both those paid by time entry transaction and those paid automatically. This method can be overridden or expanded, if necessary.

Automatic Splits

For automatically paid employees, the system can distribute pay to as many as 11 sets of distribution controls without the need for entering any additional information at pay time.

This feature is designed for employees who usually work in more than one job cost allocation, and the amount of time spent in each job cost allocation is usually the same percentage of total time.

Some examples of this kind of employee are included in the following list:

- A corporate controller who divides his time between several organizations in the corporation
- A programmer who is working on more than one project
- A department store clerk whose work day is divided between two different departments
- A construction supervisor who is responsible for several projects

As long as these people are paid automatically, requiring no time entry transaction, the auto-split feature can be used to allocate their earnings.

Screen 233, 44 are used to enter data on splits, based on percentage of total pay. Any earnings not accounted for in these ten salary splits is allocated to the home distribution controls mentioned earlier.

For each split, it is necessary to enter a percentage to indicate how much of the total gross to allocate. If the sum of all the percentages entered totals 100 percent, no pay is left to allocate to the home distribution controls.

It is your responsibility to ensure that the percentages do **not** add up to more than 100.

```
ACTION: ____  CURRENT: 233  NEXT: 233
 L1: AL L2: WA EMPLOYEE NO:       1020

                          EMPLOYEE SALARY SPLITS MAINTENANCE


       NAME: WELL,  JOHN


  SPLIT                  LEVEL     LEVEL     LEVEL      DISTRIBUTION
  NUMBER     PERCENT       3         4         5           CODE

    1         .2500       R032      S121      G500       0789123456
    2         .3000       R032      F400      G500       0246803579
    3         .0000       ____      ____      ____       __________
    4         .0000       ____      ____      ____       __________
    5         .0000       ____      ____      ____       __________
    6         .0000       ____      ____      ____       __________
    7         .0000       ____      ____      ____       __________
    8         .0000       ____      ____      ____       __________
    9         .0000       ____      ____      ____       __________
   10         .0000       ____      ____      ____       __________
```

For each split, enter the Level 3, 4, and 5, and extended distribution codes.

Each pay period, when all the pay to be allocated is totaled, the system looks at the first split area. If it contains data, the percentage is applied and a labor distribution record is written out for that amount of pay.

The second through tenth splits are processed the same way. Then the total amount covered by the splits is compared to the total earnings. If any is left, an additional record is written to allocate it to the home distribution controls.

If you have employees for whom the amount of time spent on a job varies between pay periods or who only occasionally have a need for allocating time to more than one job, an alternate method is available that allows entering manual job cost allocation for automatically paid employees, the ZT R2 transaction.

Manual Split for Auto-Pay Employees

The ZT time entry transaction with a time transaction code of R2 provides a way for entering information to allocate the earnings of an automatically paid employee.

This version of the time entry transaction does not affect the employee's pay. Its only purpose is to tell the system how the pay is distributed and to what distribution controls.

However, in two situations the R2, ZT time entry transactions **does** affect the employee's pay:

- If an hourly employee's rate on the time entry transaction is greater than the employee's regular rate, the amount the employee is paid is greater than normal.
- If an hourly employee's rate on the time transaction is less than the employee's regular rate, the amount the employee is paid is less than normal.

The ZT transaction must contain the pay to be allocated: either an amount or the number of hours. If the hourly rate is different from the normal hourly rate in the employee's record, it must be entered in the ZT transaction also.

The transaction must indicate the Level 3, 4, and 5 and the extended distribution code to which the pay must be allocated. If any of these four controls are left blank, the corresponding data is pulled from the employee record.

After all R2 entries are processed for the employee, the system checks to see if any pay remaining is not allocated. If so, the unallocated pay is distributed to the home distribution controls in the employee record.

Any number of such ZT R2 transactions can be submitted for an employee. However, the following restrictions on the use of the R2, ZT time entry transaction apply:

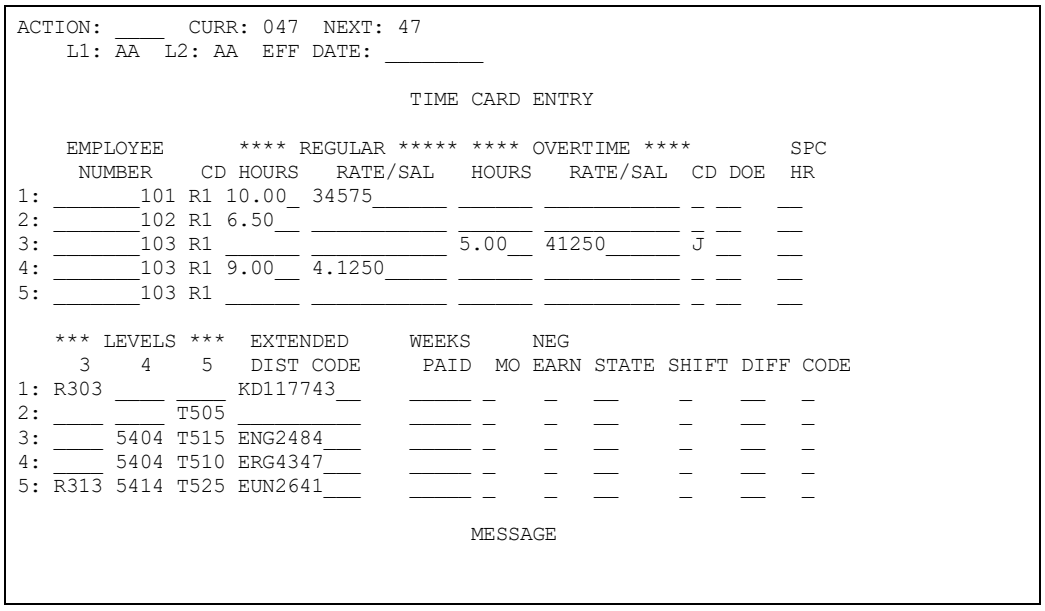
- If an R0 ZT time entry transaction is entered to stop auto pay, any R2 ZT time entry transaction for that employee is rejected.
- If an R2 ZT time entry transaction for a salaried employee is entered with an amount greater than the auto-pay salary, the transaction is rejected.
- If an R2 ZT time entry transaction for an hourly employee is entered with a number of hours greater than the auto-pay hours, the transaction is rejected.

Job Cost Allocation by Time Entry Transaction

For employees paid by time entry transaction, labor costs can be distributed to as many different distribution controls as needed. This is accomplished by entering the appropriate controls into the transaction along with the corresponding pay data.

The system places no limit on the number of time entry transactions that are entered for any employee.

The ZT should contain the Level 3, 4, and 5 and the extended distribution code to be charged. If any or all of the distribution controls are left blank, the corresponding entries from the employee's record are assumed. An indication of the pay to be so distributed must be included as either a salary amount or hours and rate.



```
ACTION: ____  CURR: 047  NEXT: 47
    L1: AA  L2: AA  EFF DATE: ________

                              TIME CARD ENTRY

    EMPLOYEE       **** REGULAR ***** **** OVERTIME ****        SPC
     NUMBER    CD HOURS   RATE/SAL   HOURS   RATE/SAL  CD DOE  HR
1: _______101 R1 10.00_ 34575______ ______ ____________ _ __   __
2: _______102 R1 6.50__ ____________ ______ ____________ _ __   __
3: _______103 R1 ______ ____________ 5.00__ 41250______ J __   __
4: _______103 R1 9.00__ 4.1250_____ ______ ____________ _ __   __
5: _______103 R1 ______ ____________ ______ ____________ _ __   __

   *** LEVELS ***  EXTENDED     WEEKS     NEG
     3    4    5   DIST CODE     PAID  MO EARN STATE SHIFT DIFF CODE
1: R303 ____ ____ KD117743__    _____ _    _   __     _    __   _
2: ____ ____ T505 __________    _____ _    _   __     _    __   _
3: ____ 5404 T515 ENG2484___    _____ _    _   __     _    __   _
4: ____ 5404 T510 ERG4347___    _____ _    _   __     _    __   _
5: R313 5414 T525 EUN2641___    _____ _    _   __     _    __   _

                                   MESSAGE
```

Special Tax Control - ZT Transaction

For most employees, the calculation of taxes is not complicated because it involves taxing the one state in which the employee works and the usual federal income tax, FICA, and so on. It can become much more confusing if the employee works in more than one state and each must be taxed or a special tax formula must be applied, rather than the regular one.

Three entries in the ZT transaction affect or control tax calculations:

- Time Entry Transaction Code
- Special Earnings Code
- State Worked In Code

Time Entry Transaction Code

One of several uses of the time entry transaction code is to indicate whether taxes are calculated with the regular formula or the aggregate variation. A code of R7 or R8 (V7 or V8 in the ZV transaction) tells the system to apply the aggregate formula. This is a special formula provided by the federal and some state governments for use with large, one-time pays such as bonuses.

Note: Some states, cities, and counties do not allow for this formula. HCM:E automatically uses the accepted formula for each tax authority.

Any time entry transaction code other than R7, R8, V7, or V8 automatically indicates the usual taxes, unless qualified by the special earnings or DOE code.

Special Earnings (DOE) Code

You must indicate in the Other Earnings position, the DOE you want to use to accumulate the earnings represented by this ZT transaction. For example, if the DOE data (Screen 330) indicates that this earning is a supplemental type payment such as bonus, these earnings are treated as supplemental taxable wages.

At the employee level, DOE data (Screen 225) describes the DOE as fully taxable or not taxable at all; subject to federal income tax but none other, or FICA but none other; or any of several other variations.

For employees in U.S. organizations getting 1099 income statements, the 1099 reportable income must be placed in a DOE associated with the appropriate field on the 1099 form. This association is set up on an organizational level with the TZ1-200 through TZ1-213 transactions. See the *Transactions Descriptions* guide.

For the employee to get a 1099, a switch must be set in the Employee Master File. This is done with an entry on Screens 221, 40. Special care must be taken in selecting DOE types for these taxing purposes.

All that is required on the ZT transaction is the code of the DOE that applies to the earnings in the transaction. The system automatically puts the earnings in that DOE and computes the taxes accordingly.

State-Worked-In Code

Screens 218, 214, 40 specify the state in which the employee usually works most of the time. This is usually the state to which the employee pays income tax. All the pay is credited to that state, and that is the state for which the system withholds taxes.

In some instances an employee must pay taxes to more than one state. For example, the employee is transferred to a new state in the middle of the pay period; or an engineer is assigned to more than one project, each in a different state; or a construction worker is temporarily put on a project in a state other than the usual one.

If no entry is made in the State Code/Province Code field of the ZT transaction, all wages are credited for taxation based on the data previously set up in the employee record. On the other hand, if a valid state code is entered in these positions, the wages represented by the transaction are credited to that state rather than to the usual one.

If the employee has never had any information for the state indicated in the record before, the system automatically generates a SALTA for that state.

No matter how many such states the employee is taxed within during a pay period, all have the tax computed using the marital status, number of exemptions, tax method, and so on, established for the employee's home work state on the Employee Master File.

There can be as many ZT transactions with state splits as there are SALTA areas available on the employee record.

An employee record can have only one SALTA for each applicable taxing authority. If the employee moves to a new state and later moves back to the old state, the system returns to the original SALTA for the old state rather than setting up a new one.

In some circumstances the employee must have taxes withheld simultaneously for his state of residence and the states in which the pay was earned. This taxing issue is defined using Screen 214, 40.

Vacation Pay - ZV Transaction

The purpose of the ZV transaction is to pay vacation pay. Vacation pay can be paid using the ZT regular pay time entry transaction. However, the ZV transaction provides facilities not available in the ZT transaction:

- You can select any of several methods of determining the amount of vacation pay, including automatic calculation of year-to-date average pay.
- You can indicate the pay periods of the month included in the vacation pay. This allows the system to apply the correct DOEs for each period involved:

If you do not need any of these special facilities, the ZT transaction can be used to pay vacation pay. The vacation hours available counter in the employee record is decreased by the hours in the time entry transaction as long as a vacation pay DOE is specified.

For the ZV transaction, the vacation earnings and hours are subtracted from the vacation percentage and vacation available hours regardless of the entry vacation pay DOE.

- If a Canadian organization wants to pay all the vacation percentage available in the employee record, enter ***V** in the last 2 positions of the Vacation Rate/Amount field of the ZV time entry transaction. The amount in the employee's vacation percentage accumulator is put into the Vacation Salary field by the system.

Vacation Pay Methods

The vacation pay method on the ZV transaction (Screen 48) is used to determine the amount of vacation pay as follows:

- If the entire amount of vacation pay is hours times rate or an amount, this code is left blank. The vacation pay amount or the hours and rate can be entered in the transaction.

  If they are left blank, the data is assumed from the employee record.
- The vacation pay can be based on average earnings as computed by the system. Average earnings is defined as follows:

  – **For hour employees**: the year-to-date regular pay divided by the year-to-date regular hours.

  – **For salaried employees**: the year-to-date regular pay divided by the number of times paid year-to-date.

In the following example, the first entry specifies to pay a simple average salary to the employee for vacation pay.

The second entry specifies to pay the employee his average hourly rate plus an extra $1.25 per hour. Because no hours are entered into the transaction, the employee's normal hours are assumed.

The third example calls for the employee's normal salary, or normal hours times rate, plus an additional 7 percent.

```
ACTION:       CURR: 048  NEXT: 48
    L1: AA  L2: AA  EFF DATE: ________  COUNTRY CODE: U

                        VACATION TIME CARD ENTRY

    EMPLOYEE  VAC HOURS   RATE/    METH  FACTOR/    CYC ERN  SPC  WEEK
     NUMBER   CD   TKN    SALARY         AMOUNT         DOE  HR   PAID
1: _______101 V1 ______ ___________ AV ___________ ____ __   __   _____
2: _______102 V1 ______ ___________ AH 12500______ ____ __   __   _____
3: _______103 R1 ______ ___________ NP 0700_______ ____ __   __   _____
4: __________ __ ______ ___________ __ ___________ ____ __   __   _____
5: __________ __ ______ ___________ __ ___________ ____ __   __   _____

   *** LEVELS ***     HRS/         EXTENDED   WORK STATE/
     3    4    5      AMT   MON  DIST CODE   PROV/EI PPD
1: ____ ____ ____       _     _   __________      __
2: ____ ____ ____       _     _   __________      __
3: ____ ____ ____       _     _   __________      __
4: ____ ____ ____       _     _   __________      __
5: ____ ____ ____       _     _   __________      __

                                   MESSAGE
```

A vacation rate can be plugged in from the rate table on the HRMS Tables File by specifying the rate code that corresponds to the appropriate vacation pay rate.

Weeks Paid Tax Calculations

One of the most important and useful features of the ZV transaction is its provision for controlling the tax calculations when paying multiple weeks of pay.

For Canadian organizations, the Weeks Worked field can be used to allocate insurable earnings and hours to future pay periods. The number of weeks entered on the ZV transaction is divided by the number of weeks generally associated with the employee's pay frequency.

From the period end date on the AA transaction and the EI pay period start code on the ZV, the system calculates the pay period end dates in the future for the appropriate number of periods and allocates the insurable hours and earnings accordingly.

For semi-monthly and monthly pay frequencies, the pay period end date information in the 105 segment is used to determine future pay period end dates.

The Weeks Worked field in the ZV, like the ZT, accumulates for Worker's Compensation reporting. The field has a second use in the ZV transaction. The regular computation of taxes begins with the annualization of the earnings, that is, multiplying the current earnings by the number of regular pay periods in the year, depending on the employee's pay frequency.

When the time entry represents earnings for more than one pay period, the usual annualizing produces too much pay and results in inflated tax.

Vacation Factor

The system uses the number of weeks worked and the employee's pay frequency to develop a vacation factor. This is applied to those earnings to prorate them for the tax calculations.

The factor is developed by dividing the number of vacation weeks by the number of weeks in the employee's normal pay period. If the Weeks Worked field in the ZV is left blank, the system assumes the number of weeks in the normal pay period.

The vacation factor developed from the weeks worked entry is also used in DOE calculations when the ZV transaction is used.

Vacation Pay and DOEs

The processing of DOEs with vacation pay presents two important considerations:

- You might want to ignore some DOEs for vacation pay.
- When paying multiple weeks of vacation, computation of DOE amounts should be on a pro rata basis, like taxes, and should include all DOEs applicable to all the periods being paid.

Bypassing DOEs for Vacation Pay

In many organizations, certain deductions or other earnings should not be considered when paying vacation pay. This control is provided through DOE data residing on the HRMS Tables File.

The Vac Ind field on Screen 330 tells the system if the DOE should be considered for vacation pay. If a DOE is to be ignored when processing vacation pay, enter an asterisk (*) in the field. The system uses this information each time it processes a ZV vacation time entry transaction for any employee in that organization.

With this facility, ZV transactions can be included as part of any normal payroll run. Any employee can have vacation pay in addition to the usual automatic or ZT pay all in the same run.

Each time a ZV transaction is encountered, this option is considered and the processing of DOEs is altered as indicated, but only for the ZV transaction.

DOEs for Multiple Vacation Pay Periods

It is often the case that vacation pay covers more than one pay period. For example, a weekly employee can be paid in advance for two weeks of vacation. It could be that a different DOE applies for each week.

The Vacation Deductions Cycles field in the ZV tells the system which pay periods are presented for activating applicable DOEs. The data in this field overrides the pay period indicators in the AA control transaction. This ensures that all the correct DOEs are considered, subject to the options set in the Vac Ind field and DOE Temporary Overrides (Screen 17), if used.

The vacation factor developed from the Vacation Weeks fields can be used to prorate each DOE amount as necessary, depending on the calculation indicators set up for the DOE.

As an example, when running the payroll for the first week of the month, you want to include vacation pay for an employee who is on vacation during the second and third weeks of the month.

Vacation Deductions Cycle Field

Each of the four positions of the Vacation Deductions Cycles field in the ZV transaction represents one vacation pay period. It can be used to activate DOEs for as many as four periods. In the example, only two are needed.

A **2** in the first position of Vacation Deduction Cycle field tells the system to apply all DOEs designated as being applicable to the second week of the month. In the second position, **3** activates DOEs set up for the third week of the month.

Because the example addresses only with two weeks of vacation, the other two positions are blank.

In the Vacation Weeks field, enter **0200** because the employee is paid weekly and the vacation pay is for 02.00 weeks.

```
ACTION:       CURR: 048  NEXT: 48
    L1: AA  L2: AA  EFF DATE: ________  COUNTRY CODE: U

                        VACATION TIME CARD ENTRY

    EMPLOYEE  VAC HOURS   RATE/    METH  FACTOR/    CYC ERN  SPC  WEEK
     NUMBER   CD   TKN    SALARY          AMOUNT         DOE  HR   PAID
1: _______101 V1 ______ ____________ __ ____________ __23 __   __   2.00_
2: ___________ __ ______ ____________ __ ____________ ____ __   __   _____
3: ___________ __ ______ ____________ __ ____________ ____ __   __   _____
4: ___________ __ ______ ____________ __ ____________ ____ __   __   _____
5: ___________ __ ______ ____________ __ ____________ ____ __   __   _____

   *** LEVELS ***     HRS/        EXTENDED   WORK STATE/
     3    4    5      AMT   MON  DIST CODE   PROV/EI PPD
1: ____ ____ ____       _     _  __________      __
2: ____ ____ ____       _     _  __________      __
3: ____ ____ ____       _     _  __________      __
4: ____ ____ ____       _     _  __________      __
5: ____ ____ ____       _     _  __________      __

                                  MESSAGE
```

Each ZV time entry transaction provides for up to four DOE cycles. To pay an employee for more than four pay cycles, enter additional ZV time entry transactions for up to ten pay cycles.

Each ZV time entry transaction should have the corresponding number of weeks worked for the deduction cycles entered, such as:

- If a weekly employee is being paid for five weeks, two ZV time entry transactions are needed:
  - The first ZV time entry transaction contains deduction cycles 2, 3, 4, and 5 and 4 in the Weeks Worked field.
  - The second ZV time entry transaction contains deduction cycle 1 and 1 in the Weeks Worked field.

- If a semi-monthly employee is being paid for six weeks, one ZV time entry transaction is needed:
  - Deduction cycles 1, 2,1 in the Deduction Cycles field.
  - 6 in the Weeks Worked field.
  - Payments on a T4A or Relevé 2

As discussed earlier, any payments that appear on a T4A or Relevé 2 must be made through one of the DOEs that have been identified on the HRMS Tables File using Screen 318.

These payments must be set up so that they are the only earnings on a check. This can be accomplished through time entry transactions with the DOE code on the transaction, or it can be accomplished through an automatic DOE payment.

Note that all R1 transactions add together to produce one check. Therefore, if one of these payments is being made through an R1 entry, no other R1 entries can be submitted for a different type of payment.

If the preceding procedure is not followed, a scenario like the one described in the following example occurs.

Example

An employee with a pay code of 5 (salaried, paid automatically) has a DOE for $515 that is entered on a time entry transaction and is defined as a commission DOE on the HRMS Tables File for reporting on a T4A. The results on the Employee Master File are as follows:

- The commission DOE amount of $515 reported as commission in the T4A commission accumulator.
- The regular and overtime earnings and the other earnings besides the commission amount are **not** accumulated in either the T4 or the T4A accumulators.
- The T4A Tax report shows the tax on the DOE amount plus the tax on regular gross, overtime, and any other earnings besides the commissions earnings.
- The Employee Master File contains incorrect figures for the T4A reporting.

Last EI Day Paid

Use an RG transaction to set the last day for which an employee is paid. This is generally the last day of actual work. However, sometimes the employment relationship is continued after the last day worked.

For example, if an employee goes on paid vacation before a maternity leave, you enter the last day of the vacation leave. If unpaid wages are owed to an employee who is terminated, you enter the last day for which these wages are owed.

Paying a Pensioner

When paying pensioned employees (employee status 2 or P), as either automatically paid or time entry required, the amounts being paid are handled as follows.

Tax Segment Accumulation

- Regular, overtime, and DOEs not defined in the HRMS Tables File are accumulated in the T4A or Releve2 Pension field, or both, whether or not they are subject to tax. The corresponding federal and provincial income taxes are accumulated in the T4A or Releve2 tax fields, or both, only if they are subject to tax.
- DOEs defined in the HRMS Tables File with TM transactions are accumulated in the appropriate T4A or RELEVE2 fields, or both, only if they are subject to tax.

Tax Calculations

All wages paid to a pensioned employee will be processed using the Pension Formula. This formula calculates federal and provincial income taxes only.

- Wages paid to a first tax DOE will be taxed at the flat tax rate.
- CPP/QPP, EI, and QPIP taxes are not calculated for pensioned employees.
- An organizational option to override CPP/QPP exemptions is on the AA transaction (Screen 13).

To process a pensioned employee who continues to work, the following setup must happen:

- Set up the employee as a pensioned employee.
- Establish the employee a second time, with a different employee number, as a regular employee.
- All payments subject to pension income tax only are made to the employee set up as a pensioner.
- All payments subject to regular income taxes, CPP/QPP, EI, and QPIP are paid to the employee set up as a regular employee.

Paying a Commissioned Employee

When paying a commissioned employee (employee status 2 or C) as either an automatically paid or time-card-required employee, all amounts paid to the employee will be processed using the Commission Formula. Employee selected tax calculations such as additional amounts are not used.

Wages paid to a flat tax DOE will be taxed at that flat tax rate.

Using the Bonus and Retro Formula

When paying any employee using DOEs defined as Bonus, Retro, or Lump Sum DOEs on the HRMS Tables File, employee selected tax calculations such as additional amount are not applied to the Bonus, Retro, and Lump Sum amounts.

Payment History

Employee payment history is the information from employee checks and deposit advices. The Check Reversal Master File is used to provide employee payment history information to payroll departments for checks, deposits, and pre-pays. Employee payment history information is displayed in the online system on the 506 through 508 and 530 through 536 screens.

Check Reversal Master File

The data placed on the Check Reversal Master File is determined by the value in the Check Reversal/Payment History Detail option on the AD transaction (Screen 311). See the Payment History Records table later in this section.

Screens

The 530 through 536 screens are accessed from the Realtime Payroll/Personnel Menu (Screen 200). Prior payments for an employee on the Check Reversal Master File are presented on Screen 530. A payment is selected and details are presented (inquiry only) on Payment History screens 531 through 536.

These Payment History screens display **all** pay advice information on the Check Reversal Master File. Employee payment history information displayed on screens 530 through 536 can also be used for electronic delivery of advices through the eAdvice feature of E Series Web Employee Self Service (ESS).

Screens 506 through 508 provide only current information from a pay advice.

Paperless Deposit Advices

If you are using the eAdvice feature of Employee Self Service, the printing of paper deposit advices can be suppressed by selecting **PD** (Paperless deposit) as the Format Option for the employee on the TH2 transaction (Screen 309). For more information, see the TH2 transaction in the *Transaction Description* guide.

Purge Feature

The Check Reversal Update program (P1P45M) allows for deleting some or all new record types using the RP Purge Control transaction. The file purge options function as usual. See the Payment History Records table that follows.

Payment History Records

The following table shows the records created and purged using the AD Check Reversal Detail Records option and the RP Delete Payment History Records option.

Payment History Record Created	AD Check Reversal Detail Records Option (Position 45)			RP Delete Payment History Records Option	
	E	Y	A	*	A
Organization Basic A	X	X	X		
Organization DOE Description		X	X		X
Organization Special Hours Description and DOE Ties		X	X		X
Current Employee Basic 0	X	X	X		
Current Employee 1-9	X	X	X		
YTD Employee Basic 0		X	X		X
YTD Employee 1-9		X	X		X
Employee Messages and Earnings Rates		X	X		X
Employee and Company Address and Paid-thru Bank			X	X	X
Employee Bank/ACH Information			X	X	X
Supplemental			X	X	X

10 First Parallel Run

Chapter Contents

10-1 Comparing Results
10-2 Resolving Differences

Comparing Results

As you compare the results of the first parallel run of HCM:E to your old system, keep in mind those areas where differences are legitimate and acceptable and those where differences are not acceptable.

Earnings

In general, all earnings should be exactly as they were in the old system. However, a DOE can have negligible amount differences because of rounding, and so on. If earnings are excessively different, review the data as it was for the employee.

Taxes

Minor variances in tax amounts are expected. If your old system was automated, the tax routines probably are not identical to those in HCM:E. If your payroll was produced through a manual system, there can be significant differences in taxes. Remember that most taxing authorities provide more than one approved method for computing the tax. Usually, each method results in an amount different from the other methods. Sometimes those variances are quite large.

If the variance in any tax is extremely large, review the documentation and check the data. If you cannot resolve the problem to your satisfaction, contact Customer Support.

Deductions and Other Earnings

The amount of each DOE should be the same as in your old system; however, minor variances caused by rounding, and so on, can occur. If you feel that the difference is great, review the documentation.

Resolving Differences

Aside from variances in amounts, you might not receive the output you expected.

Some or All Employees Not Paid

If the unpaid employees are designated to be paid automatically (that is, without requiring a time entry transaction), the AA Data Screen 11 might contain an incorrect pay period indication. These entries must not be zero. This is the only indicator the system has to tell it that it is time to pay auto-pay employees.

If the unpaid employees are not set up for auto-pay, a time-entry transaction is required. It might be that time entry transactions were not submitted for these employees.

For either auto-pay or time-entry transactions employees, it might be that you asked the system to use normal rate, normal hours, or normal salary. If so, verify that the correct data is entered into the employee's record.

No Deductions or Other Earnings Processed

Again, the pay period indicators in the AA data are required to tell the system which DOEs to process. If the entry is omitted, no DOEs are applied.

If some DOEs are processed but not others or a DOE is processed for some employees but not others, review the period code for the DOE on Screen 225 or 60.

All Batch Transactions Rejected for Entire Organization

Review the Validation report. This problem indicates that either of two transactions is missing.

The **first time** a new organization is being put on file, a CA transaction **must** be found. If not, all transactions for that organization and all its employees are rejected. Check Screen 10 to verify that a CA transaction was created.

Every time an organization is processed, the system requires an AA control transaction. If it is not entered, all transactions for that organization and all its employees are rejected. No employee in that organization is paid.

All Transactions Rejected for an Employee

In the batch processing environment, certain items of data are mandatory for a new employee being put on the Employee Master File for the first time. These items are found in three transactions: NA, NB, and ND-1. If any of these transactions fail validation, **all** transactions for the employee are rejected; otherwise, the system will not have all the information it requires and cannot process the employee. This condition will not occur when adding new employees realtime.

11 First Production Run

Chapter Contents

11-1 Preparing for the First Production Run
11-2 Explaining the Check and Stub

Preparing for the First Production Run

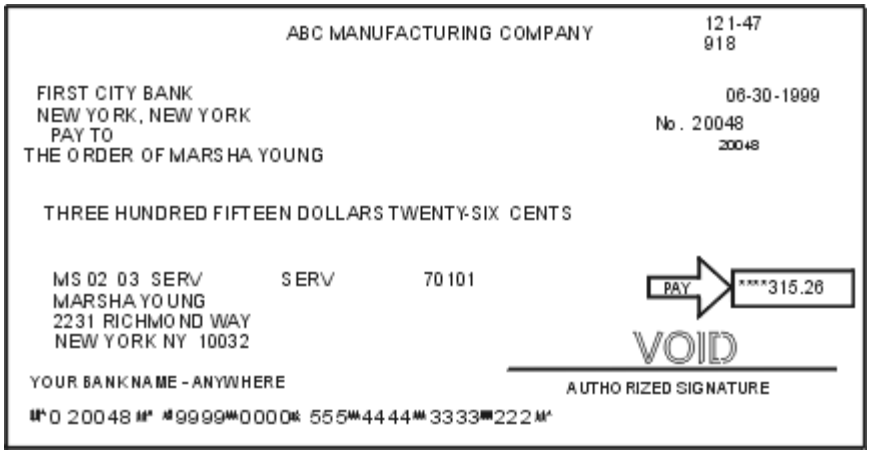
In preparing for the first production run, keep in mind the following information:

- If you have not already done so during parallels, this is the time to initiate file retention procedures for the master files.
- By this time you should have established balancing procedures and accounting controls.
- Use the HRMS Tables File to review the Payroll/Personnel and Canadian applications data established on the file. These applications are produced using TA through TZ transactions or the 300 series screens. They contain data that is very important in processing ACH or bank services, W-2, and so on.
- Examine each AA transaction to be sure it contains the proper dates, pay period indicators, period ending and starting triggers, and so on. The AA transaction period end and check dates determine the applicable FICA/FUI rates and maximums used in adjustment processing, computing employee pay, and report processing.

  The AA transaction is very important to the successful operation of the system because it provides controls for major processing.
- Check the validation report to ensure that all errors are corrected.
- Before passing the checks on to the employees, examine them carefully.

Explaining the Check and Stub

To help answer any questions employees might have, let's review the check/deposit form. The options discussed are entered on Screen 11.



The printing of your organization name in the center at the top of the form is an option specified on Screen 11. The bank name, city, and state, to the left and bank ABA number to the right are printed only if you established them on Screen 10, Basic Organization. At your option, the bank name, city, and state or province can be replaced by the name of a bank through which the check is paid. The check date appears above the preprinted check number. Notice that the check number is printed by the system for control purposes.

The check amount can be printed in words, if you choose. The check amount always appears in the box to the right of the word PAY and is protected with leading asterisks. For Canadian organizations, the cheque amount in words can be written in English or French (determined by the language code at the employee level). If the net pay and check amounts are zero, the check is voided by the system. If the employee's gross and net pay are both zero, you can elect to bypass printing the check and earnings statement.

In the lower portion of the check, the employee control information appears above the employer name and address. The control information consists of levels 1 through 5, check sequence code, if used, and employee number. The controls, employee name and address can be suppressed at your option. Employee address lines are compressed to take advantage of postal discounts by removal of spaces in the line that prints city, state, and ZIP code and by omitting blank address lines from the address entry.

The difference in your computer-printed format between checks and deposit advices is minor. All of the options apply to both with the exception of printing the amount in words, which applies to checks only. The total deposit amount is printed in the box with the asterisk protection.

Your organization name and the employee name appear in the upper left corner of the earnings statement. Following the organization name, levels 1 and 2 and the employee number appear. The pay period ending date and check number (if a check is being issued) print above the check or deposit amount. Optionally, the pay period beginning date prints above the period end date by using Screen 95 (ZD transaction) on the earnings statement detail.

Below the employee name, gross-to-net dollars are reflected. If earnings minus taxes minus deductions does **not** equal the net pay specified, an asterisk appears to the right of the net pay box. This applies to the current and year-to-date amounts, if year-to-date amounts are printed. For Canadian organizations, the gross wages include the employer-paid Quebec Medicare.

Unless otherwise specified, the Canadian cheque/deposit earnings statement prints with no employer address and a period beginning date. The ability to add employer address is entered on Screen 9. Period beginnings date is entered on Screen 95.

The organization name appears in the upper left corner of the earnings statement.

Gross-to-net dollars are reflected. If earnings minus taxes minus deductions does not equal the net pay specified, an asterisk appears to the right of the net pay box. This applies to current and year-to-date amounts if year-to-date amounts are being printed.

Note: The combined length of the second and third lines of the employer's address is limited to 50 characters.

The balance of the earnings statement is divided into two portions:

Earning Category	Location on Check Form	Number of categories
Hours and earnings	Left	14 except format 7C/7D = 31
Taxes and deductions	Right	17 except format 7C/7D = 34

Regular and overtime earnings print first, followed by any other earnings in DOE code order. On the right, taxes print first (for U.S. organizations, Federal, FICA/Medicare, state and local; for Canadian organizations, Federal, CPP/QPP, province, EI, QPIP, and QM) with deductions following in DOE order. For Canadian organizations, the DOE description can be written in English or French (determined by the language code at the employee level).

If one side or the other overflows the available print lines, the remaining entries print in the other position with the appropriate headings. If both hours/earnings and deductions overflow, a message prints at the bottom of the statement indicating that the detail is not complete and totals of the items not printed are reflected.

Several options are available to decide what is printed on the earnings statement. Employer-paid (type H) DOEs can be printed or suppressed. Year-to-date figures can be printed. If they are, you can elect to print all deductions and earnings if the year-to-date is not zero, regardless of the current activity. You can choose to report the sick and vacation hours available to your employees. In that case, these hours are the last two items reflected in the hours/earnings position.

12 Helpful Hints for Using HCM:E

Chapter Contents

12-1 Introduction
12-2 How Weeks Worked Affect an Employee's Pay
12-4 Deferring 100% of Pay to 401(k) Plan

Introduction

This chapter contains hints and tips for using HCM:E most efficiently.

How Weeks Worked Affect an Employee's Pay

The following discussion describes how HCM:E accumulates the number of weeks worked and how that number affects an employee's pay.

Calculating Weeks Worked

If the employee is

- An auto-paid employee, the employee's regular weeks worked from the 201 segment on the Employee Master File are added to a weeks worked total.
- Not an auto-paid employee (or is not receiving the regular auto-pay) no weeks are automatically added.

Any weeks worked entered on time transactions (ZT/ZV) for a check are added together. For an auto-paid employee, these weeks are then added to the employee's regular weeks worked. For an employee who is not an auto-paid (or is not receiving the regular auto-pay), the weeks worked come only from time transactions.

After all weeks are accumulated, if the total weeks are zero, the weeks processed by HCM:E are the employee's regular weeks worked from the 201 segment on the Employee Master File.

The total weeks worked or the default regular weeks worked is divided by the employee's regular weeks worked based on the pay frequency to calculate a time card factor.

Using the Time Card Factor

The time card factor is used in tax and DOE calculations.

Tax Calculations

For taxes, HCM:E uses the time card factor as follows:

If the employee's tax is a fixed amount or the employee has requested an additional fixed amount, the fixed amount is multiplied by the time card factor.

The wages for the pay period (all wages for a check) that are not flat taxed are divided by the time card factor. The resulting amount is used to compute an equivalent tax for a regular pay cycle. The regular pay cycle tax is multiplied by the time card factor to get the tax for the pay period being paid.

DOE Calculations

For DOE calculations, the time card factor affects DOEs on a multi-cycle ZV/ZU time transaction as follows:

If the DOE is a percentage DOE, wages are multiplied by the percentage and then divided by the time card factor to calculate the amount for the cycle.

For example, if a weekly employee is paid $200 every two weeks ($100 per week) and the DOE percentage is 10%, HCM:E multiplies the $200.00 by 10%, resulting in $20.00. The $20.00 is divided by the time card factor of 2, resulting in $10.00 as the first weekly cycle deduction amount. The second week is calculated the same as the first week.

HCM:E ensures that the total amount deducted for all weeks does not exceed the DOE amount to be taken by calculating the amount for the last full or partial week as the difference between the DOE amount to be taken and the total amount for the previous weeks.

Processing for the 95 Print Report

The total of all weeks worked on every ZT/ZU and ZV transaction entered for the employee in a payroll run is added to the period-to-date accumulators on the Employee Master File.

HCM:E does **not** calculate taxes using weeks worked on each time transaction. It combines the wages for **all** time transactions for a check before calculating any taxes.

Deferring 100% of Pay to 401(k) Plan

Even though you define a 401(k) deduction to exclude 100 percent of total earnings from taxes, you might find that FIT and SIT taxes are still withheld. This discussion explains how HCM:E processes the pay in this case.

Generally, earnings are defined as fully taxable. Most deductions created for deferred income are set up as excluded from federal, state, and local taxes, but **not** Social Security and Medicare taxes. When the employee's net pay is reduced by the required Social Security and Medicare taxes, 100 percent of the employee's earnings are no longer available to defer from taxable wages. Therefore, federal and state taxes must be taken on the nondeferred amount.

If not enough net pay is available to take all excludable deductions used to determine the taxable wage amount, HCM:E recalculates taxable wages based on the amount of net pay available to take excludable deductions. Withholding tax is recalculated on the adjusted taxable wages up to 10 times until net pay is sufficient to take all excludable deductions.

Example

DOE BN is set up to pay a $2000 bonus that is fully taxable.

DOE 4K is set up as a 100-percent excludable deduction that is excluded from federal, state, and local tax but subject to FICA, FUI, and SUI taxes.

In this example, the employee is not subject to state, local, or SUI taxes.

Cycle 1	Gross to Net	Federal	FICA
Earnings DOE BN	$2,000.00	$2,000.00	$2,000.00
Excludable Deduction DOE 4K		$2,000.00	$0.00
Taxable Wages		$0.00	$2,000.00
Taxes Due on Taxable Wages	$153.00	$0.00	$153.00
Available Net Pay	$1,847.00		

Because not enough net pay is available to take the $2,000.00 excludable deduction, the excludable deduction is reduced to the available net pay amount and federal taxable wages are adjusted to $153.00 ($2,000.00 - $1,847.00). Taxes are recalculated on the adjusted taxable wages and a new available net amount is determined by deducting the recalculated taxes.

Cycle 2	Gross to Net	Federal	FICA
Earnings DOE BN	$2,000.00	$2,000.00	$2,000.00
Excludable Deduction DOE 4K		$1,847.00	$0.00
Taxable Wages		$153.00	$2,000.00
Taxes Due on Taxable Wages	$191.25	$38.25	$153.00
Available Net Pay	$1,808.75		

Because not enough net pay is available to take the $1,847.00 excludable deduction, the excludable deduction is reduced to the available net pay amount and federal taxable wages are adjusted to $191.25 ($2,000.00 - $1,808.75). Taxes are recalculated on the adjusted taxable wages and a new available net amount is determined by deducting the recalculated taxes.

Cycle 3	Gross to Net	Federal	FICA
Earnings DOE BN	$2,000.00	$2,000.00	$2,000.00
Excludable Deduction DOE 4K		$1,808.75	$0.00
Taxable Wages		$191.25	$2,000.00
Taxes Due on Taxable Wages	$200.81	$47.81	$153.00
Available Net Pay	$1,799.19		

Because not enough net pay is available to take the $1,808.75 excludable deduction, the excludable deduction is reduced to the available net pay amount and federal taxable wages are adjusted to $200.81 ($2,000.00 - $1,799.19). Taxes are recalculated on the adjusted taxable wages and a new available net amount is determined by deducting the recalculated taxes.

Cycle 4	Gross to Net	Federal	FICA
Earnings DOE BN	$2,000.00	$2,000.00	$2,000.00
Excludable Deduction DOE 4K		$1,799.19	$0.00
Taxable Wages		$200.81	$2,000.00
Taxes Due on Taxable Wages	$203.20	$50.20	$153.00
Available Net Pay	$1,796.80		

Because not enough net pay is available to take the $1,799.19 excludable deduction, the excludable deduction is reduced to the available net pay amount and federal taxable wages are adjusted to $203.20 ($2,000.00 - $1,796.80). Taxes are recalculated on the adjusted taxable wages and a new available net amount is determined by deducting the recalculated taxes.

Cycle 5	Gross to Net	Federal	FICA
Earnings DOE BN	$2,000.00	$2,000.00	$2,000.00
Excludable Deduction DOE 4K		$1,796.80	$0.00
Taxable Wages		$203.20	$2,000.00
Taxes Due on Taxable Wages	$203.80	$50.80	$153.00
Available Net Pay	$1,796.20		

Because not enough net pay is available to take the $1,796.80 excludable deduction, the excludable deduction is reduced to the available net pay amount and federal taxable wages are adjusted to $203.80 ($2,000.00 - $1,796.20). Taxes are recalculated on the adjusted taxable wages and a new available net amount is determined by deducting the recalculated taxes.

Cycle 6	Gross to Net	Federal	FICA
Earnings DOE BN	$2,000.00	$2,000.00	$2,000.00
Excludable Deduction DOE 4K		$1,796.20	$0.00
Taxable Wages		$203.80	$2,000.00
Taxes Due on Taxable Wages	$203.95	$50.95	$153.00
Available Net Pay	$1,796.05		

Because not enough net pay is available to take the $1,796.20 excludable deduction, the excludable deduction is reduced to the available net pay amount and federal taxable wages are adjusted to $203.95 ($2,000.00 - $1,796.05). Taxes are recalculated on the adjusted taxable wages and a new available net amount is determined by deducting the recalculated taxes.

Cycle 7	Gross to Net	Federal	FICA
Earnings DOE BN	$2,000.00	$2,000.00	$2,000.00
Excludable Deduction DOE 4K		$1,796.05	$0.00
Taxable Wages		$203.95	$2,000.00
Taxes Due on Taxable Wages	$203.98	$50.98	$153.00
Available Net Pay	$1,796.02		

Because not enough net pay is available to take the $1,796.05 excludable deduction, the excludable deduction is reduced to the available net pay amount and federal taxable wages are adjusted to $203.98 ($2,000.00 - $1,796.02). Taxes are recalculated on the adjusted taxable wages and a new available net amount is determined by deducting the recalculated taxes.

Cycle 8	Gross to Net	Federal	FICA
Earnings DOE BN	$2,000.00	$2,000.00	$2,000.00
Excludable Deduction DOE 4K		$1,796.02	$0.00
Taxable Wages		$203.98	$2,000.00
Taxes Due on Taxable Wages	$203.99	$50.99	$153.00
Available Net Pay	$1,796.01		

Because not enough net pay is available to take the $1,796.02 excludable deduction, the excludable deduction is reduced to the available net pay amount and federal taxable wages are adjusted to $203.99 ($2,000.00 - $1,796.01). Taxes are recalculated on the adjusted taxable wages and a new available net amount is determined by deducting the recalculated taxes.

Cycle 9	Gross to Net	Federal	FICA
Earnings DOE BN	$2,000.00	$2,000.00	$2,000.00
Excludable Deduction DOE 4K		$1,796.01	$0.00
Taxable Wages		$203.99	$2,000.00
Taxes Due on Taxable Wages	$203.99	$50.99	$153.00
Available Net Pay	$1,796.01		

Because enough net pay is available to take the $1,796.01 excludable deduction, the tax calculation is complete.