



Payroll

Lesson 1: Payroll Overview

Lesson 2: Earnings

Lesson 3: Deductions

Lesson 4: Taxes

Lesson 5: Bank Details

Lesson 6: Reports

Lesson 7: Additional Processes

Wrap Up

By the end of this course participants will be able to:

- Explain the details of payroll processing
- Display and maintain essential master data used in payroll processing
- Display gross remuneration statements
- Maintain recurring and one-time deductions and payments
- Process deduction refunds or additional payments
- Maintain residence tax and work tax data for employees
- Display information related to employee garnishment orders



Payroll Overview

Lesson 1

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Wrap Up

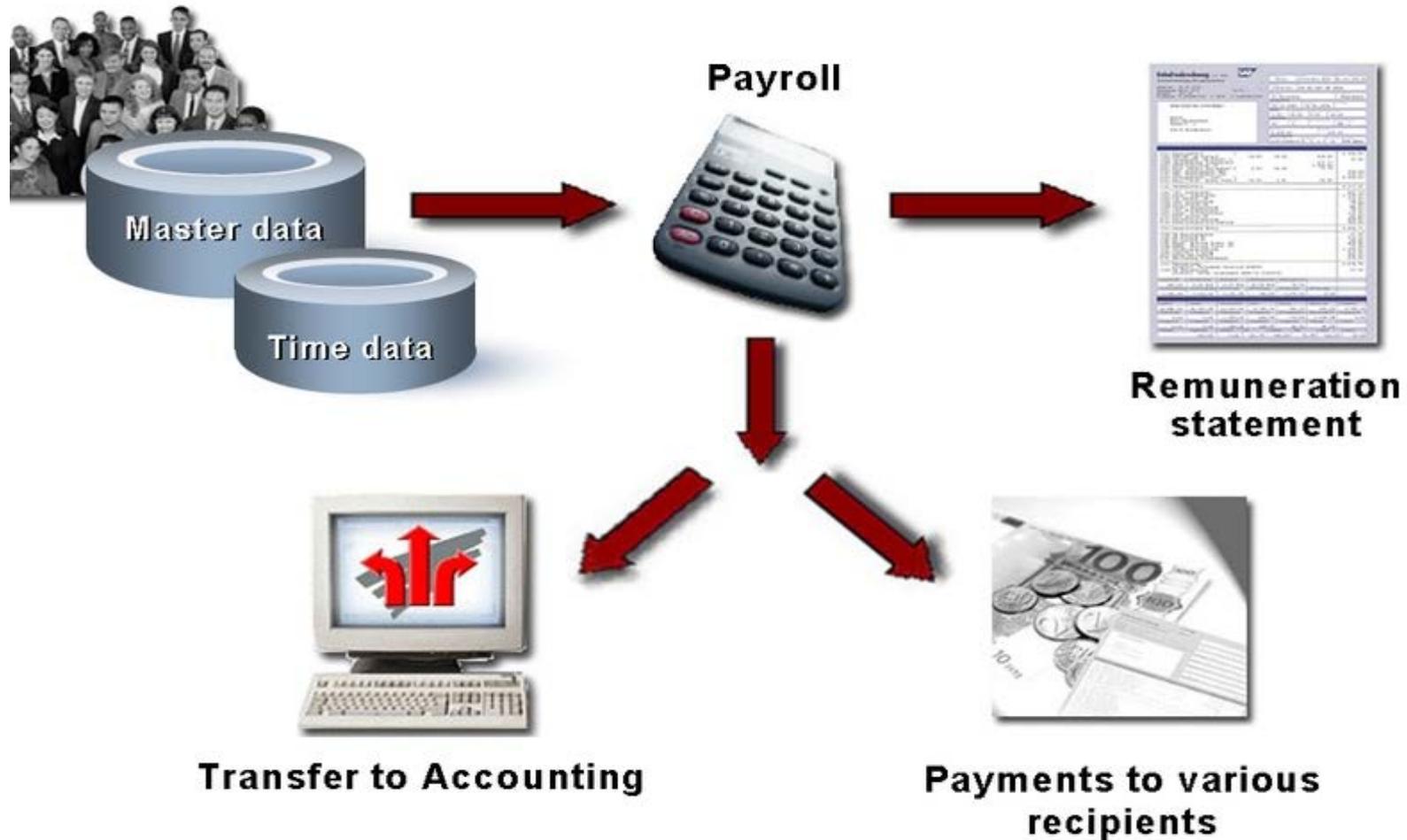
By the end of this lesson participants will be able to:

- Explain the Concept of KHRIS Payroll
- Explain Payroll Data
- Explain Master Data Changes
- Understand Master Data for Payroll Processing
- Identify Payroll Infotypes
- Payroll Wage Types

Benefits of KHRIS Payroll

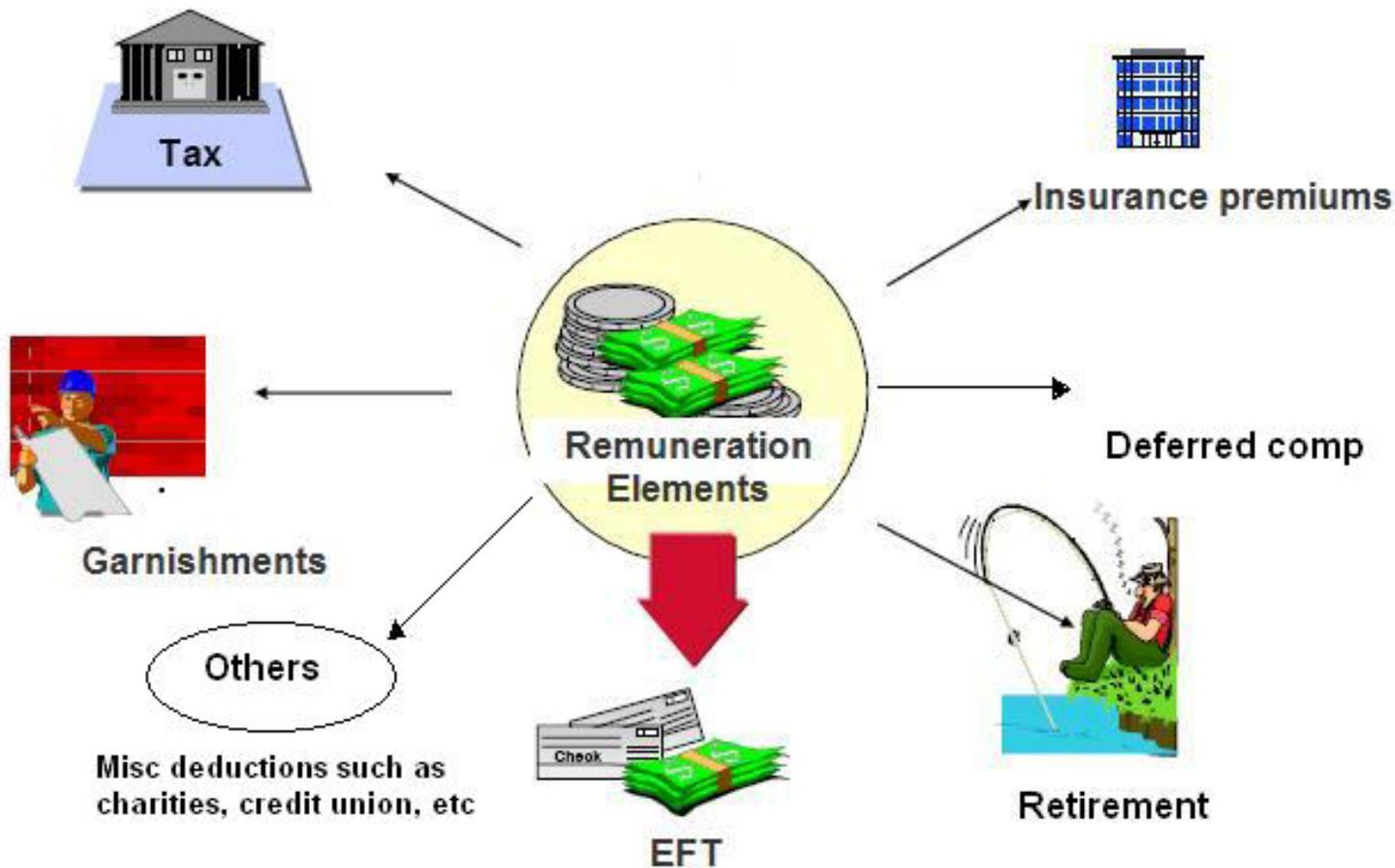
- Payroll details are automatically adjusted from personnel actions
- Previously separate systems—personnel, benefits, and payroll—are now integrated
- Employees can access the KHRIS Employee Self-Service (ESS) to:
 - Enter or change direct deposit information
 - Enter or change tax withholding information
 - Maintain some benefits deductions
 - Print salary statements

The Concept of KHRIS Payroll



Statutory and Voluntary Deductions

Statutory and Voluntary Deductions



Payroll relies on inputs from a variety of sources:

- Master data infotypes
- Time infotypes
- Previous payroll results
- Benefits data

The following key terms will be discussed in this lesson:

- **Master Data** - employee information shared across modules in KHRIS
- **Infotype** - a logical grouping of similar data
- **Wage Type** - a unit of money or time with distinctive characteristics which determine how the system treats the unit for purposes of generating payroll

KHRIS *master data* is centrally stored employee information that is shared across all areas of HR.

Examples include:

- Employee name
- Address
- Basic pay information
- Position information

Some reason for Master Data changes include:

- Appointment to agency
- Change in organizational assignment (Position Number Change-External)
- Change in personal data (name, address, etc.)
- Recurring payments/deductions
- Garnishments (Maintained by Treasury)
- Change of work location
- Tax withholding



Payroll infotypes organize information into logical groupings.

Maintain HR Master Data

Personnel no. 155409
Name Don Campos Status Active
EE group A 18A Personnel area 0001 Executive
EE subgroup 02 ASC Salary 37.5 Pers. subarea 1000 FT Exempt

Basic personal data Payroll Benefits Time Taxes Planning Data

Infotype text	E
0003 Payroll Status	✓
0008 Basic Pay	✓
0009 Bank Details	✓
0014 Recurring Payments/Deductions	✓
0015 Additional Payments	
0103 Bond Purchases	
0104 Bond Denominations	
0194 Garnishment Document	
0195 Garnishment Order	

Period
 Period
From To
 Today Curr.week
 All Current month
 From curr.date Last week
 To Current Date Last month
 Current Period Current Year
Choose

Direct selection
Infotype STy

**Basic Pay
IT0008**

**Bank Details
IT0009**

**Recurring
Payment/Deductions
IT0014**

**Additional
Payments/Deductions
IT0015**

Infotypes used in Payroll Processing

Master Data Infotypes

- 0000 Actions
- IT0001 Organizational Assignment
- IT0002 Personal Data
- IT0006 Addresses
- IT0007 Work Schedule
- IT0008 Basic Pay
- IT0009 Bank Details
- IT0207 Residence Tax
- IT0208 Work Tax Area
- IT0210 Withholding Taxes

Additional Payroll Infotypes

- IT0003 Maintain Payroll Status
- IT0014 Recurring Payments/Deductions
- IT0015 Additional Payments
- IT0194 Garnishment Document
- IT0195 Garnishment Order
- IT0235 Other Taxes US
- IT9015 Retirement Plans

The Start date should be the first day of the pay period in which you want the deduction to start.

- For example: if you want a deduction to begin with the 04/1-15/2011 pay period (paydate 04/30/2011), use 04/01/2011 as the Start date
 - An exception to this is if an employee was appointed mid-pay period; the Start date for an infotype for the employee cannot predate the employee's appointment date
- When delimiting a deduction, the end date should be the last day of the pay period in which the deduction should be withheld.
- If withdrawn the date should be the last active date.

Infotype Entry Options:

- Use Create  for new records
 - Used when the infotype has not been maintained (no green check)
 - If used when a record exists, may need to delimit existing record
 - Old record will remain in the system
- Be sure to use Copy  to change/update existing records
 - Facilitates entry – fewer fields to update
 - Creates an historical record
 - Verify Payment model on copied records
- Use Change  only if a record was entered in error
 - For example, when entering the bank account number you entered a 3 instead of a 2
 - Does not create a history – overwrites the existing record
 - Use Change with caution

NOTE: Beware of gaps in the record's dates. They may result in serious problems in payroll.

Wage Types

Wage types are earnings or deduction codes that are used to identify different units of money or time that are included in various ways in the calculation of pay. They each have distinct rules that determine how they are processed.

There are wage types for base earnings, time, special payments, taxable benefits, voluntary deductions, retirement, garnishments, and health and life insurance.

- For example:
 - 1002 Pay Period Salary (earnings)
 - 2083 Comp Leave Used (time)
 - 3003 Employee recognition award (special pay)
 - 5811 Liberty Mutual (optional insurance)

WT	Wage Type Long Text	Start Date	End Date
400P	Admin Fees Provider	01/01/1900	12/31/9999
400R	CW Standard PPO ER	01/01/1900	12/31/9999
401A	CW Capitol Choice PostTx	01/01/1900	12/31/9999
401E	CW Capitol Choice PreTx	01/01/1900	12/31/9999
401R	CW Capitol Choice ER	01/01/1900	12/31/9999
402A	CW Optimum PPO PostTx	01/01/1900	12/31/9999
402E	CW Optimum PPO PreTx	01/01/1900	12/31/9999
402R	CW Optimum PPO ER	01/01/1900	12/31/9999
403A	CW Maximum Choice PostTx	01/01/1900	12/31/9999
403E	CW Maximum Choice PreTx	01/01/1900	12/31/9999
403R	CW Maximum Choice ER	01/01/1900	12/31/9999
404A	Optional Life Post-Tax	01/01/1900	12/31/9999
404E	Medical FSA Pre-Tax	01/01/1900	12/31/9999
404R	HRA Employer	01/01/1900	12/31/9999
405A	Dependent Life Post-Tax	01/01/1900	12/31/9999
405E	Dependent Care FSA PreTax	01/01/1900	12/31/9999
405R	Basic Life/AD&D Employer	01/01/1900	12/31/9999
406A	Basic Life Post-Tax	01/01/1900	12/31/9999
480A	KY-Essential Post-Tax	01/01/1900	12/31/9999
480E	KY-Essential Pre-Tax	01/01/1900	12/31/9999
480R	KY-Essential Employer	01/01/1900	12/31/9999
481A	KY-Enhanced Post-Tax	01/01/1900	12/31/9999
481E	KY-Enhanced Pre-Tax	01/01/1900	12/31/9999
481R	KY-Enhanced Employer	01/01/1900	12/31/9999
482A	KY-Premier Post-Tax	01/01/1900	12/31/9999
482E	KY-Premier Pre-Tax	01/01/1900	12/31/9999
482R	KY-Premier Employer	01/01/1900	12/31/9999
483A	KY-Select Post-Tax	01/01/1900	12/31/9999
483E	KY-Select Pre-Tax	01/01/1900	12/31/9999

In this lesson you learned to:

- Explain the Concept of KHRIS Payroll
- Explain Payroll Data
- Explain Master Data Changes
- Understand Master Data for Payroll Processing
- Identify Other Payroll Infotypes





Earnings

Lesson 2

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Wrap Up

By the end of this lesson participants will be able to:

- Explain and display basic pay information
- Identify types of earnings and the infotypes on which they are set up

Refresher: Infotypes and Wage types

Infotypes are logical groupings that organize information in KHRIS. There are infotypes for earnings including:

- Basic Pay IT0008
- Recurring Payments IT0014
- One-Time Payments IT0015

Refresher: Infotypes and Wage types

Wage types are earnings or deduction codes that are used to identify different units of money or time that are included in various ways in the calculation of pay.

They each have distinct rules that determine how they are processed. There are wage types for earnings in KHRIS, including:

- Basic Pay types: 1001 hourly rate or 1002 salary
- Special Pay types: 3002 suggestion award or 3003 earned recognition award
- Taxable Benefits types: 3011 cell phone or 3007 vehicle use

During time evaluation, time types are converted to wage types for payroll.

Examples:

- Time type ANLL is converted to WT 2056
- Time type COMP is converted to WT 2083
- Time type 1REG is converted to WT 2000
- Time Type 6ADL is converted to:
 - WT 2082= Paid time and a half
 - WT 2220= COMP Earned
 - WT 2094= Split week hours held



Basic Pay is maintained using standard events:

- Hiring
- Change of job
- Change of pay
- Rehiring

Basic pay must be changed using a personnel action.

The annualized salary, based upon basic pay, drives the group life insurance premium amount for the 1 or 2 X salary option.

Observe as the instructor demonstrates the steps. You will then have the opportunity to complete the exercise on your own.

Purpose:

We will use this exercise to display Basic Pay IT0008.

How KHRIS calculates pay for a salary employee that works a 24/7 schedule and they move on the 30th:

384 = hours for pay period 16th–31st at 24 hours per day

\$1,216.57 = pay period salary

\$3.168 = Hourly rate (384hrs/\$1,216.57salary)

Employee moved to a new position on the 30th

336.00 = Hours worked at that Salary from 16th–29th

TOTAL PAY

for period = \$1,064.50

(336hrs*3.168rate)



NOTE: 24/7 schedules should be changed based on pay period.

Special Payments and Taxable Benefits

Special payments and taxable benefits are considered “earnings” and can be either a one-time payment or a recurring payment:

- One time payments are set up using IT0015
- Recurring payments are set up on IT0014
- Recurring payments have a specific payment model that defines frequency
- Enter taxable benefits timely



Taxable Benefits are used to report the value of benefits the employee receives, related to employment, that are added to the taxable base for calculating taxes and, in most cases, subject to retirement contributions. They are not added to gross pay.

Some examples of taxable benefits include:

- 3004 Meal Reimbursement
- 3007 Vehicle Use
- 3011 Cell Phone

Special Payments

Special Payments are payments the employee receives that are in addition to base pay, shift, or overtime. They may be incentive or award pay, allowance, or an adjustment to pay. They are subject to taxes and retirement in most cases.

Note: For details on taxation and retirement for each wage type, refer to the Detailed Wage Type List, available on the Personnel Cabinet's Human Resource Administrator Payroll information page.

Some examples of special payments include:

- 3003 Employee Recognition Award
- 3008 Expense Allowance (25% taxing)
- 3009 Retro Adjustment (Must include "Maintain Text"-April 2012 Newsletter)

IT0014 Recurring Payments

Personnel No	3425	Name	ralph ralph			
EE group	A 18A	Personnel area	0001	Executive	Status	Active
EE subgroup	02 ASC Salary 37.5 Pers. subarea	1000	FT Exempt			
Start	01/21/2011	to	12/31/9999	Chng	01/21/2011	HR_STUDENT42

0014 Recurring Payments/Deductions						
Wage Type	603E	SPRO Ret EE				
Amount	A	0.00	USD			
Number/unit		1.00	Percent			
Assignment Number						
Reason for Change						

Payment dates						
Payment model						
1st payment period	00	or	1st payment date			
Interval in periods	00		Interval/Unit	0		

- Recurring payments are repeating payments which have a payment model that dictates how often they are made
- Expense allowance is a type of recurring payment that can be entered on IT0014

Purpose:

A recurring payment must be added to an employee's record. We will create Infotype 0014.



IT0015 Additional Payments

- Additional payments are one-time payments which are not accounted for in every payroll period
- Employee Recognition Awards (ERA), and adoption assistance are examples of additional payments made on IT0015
- Maintain text (see April 2012 Newsletter)

Create 0015 Additional Payments

Personnel No
Name

EE group
Personnel area Executive
 Status

EE subgroup ASC Salary 40
 Pers. subarea FT N-Exempt

0015 Additional Payments

Wage Type

Amount

Number/unit

Date of origin

Default Date

Assignment Number

Reason for Change

Wage Types for Infotype "0015 Additional Payments" (1) 405 Entries found

Restrictions

WT	Wage Type Long Text	Start Date	End Date
2086	Annual Leave Payout	01/01/1900	12/31/9999
2087	Comp Leave Payout	01/01/1900	12/31/9999
2088	Block 50 Comp Payout	01/01/1900	12/31/9999
2106	Qty 1-way trips taken	01/01/1900	12/31/9999
2107	Allocated Tips	01/01/1900	12/31/9999
2108	Tips Rptd Not Collected	01/01/1900	12/31/9999
2186	Annual Payout Ret2008	01/01/1900	12/31/9999
2187	Comp Payout Ret2008	01/01/1900	12/31/9999
2188	Block Comp Ret2008	01/01/1900	12/31/9999
2199	Conversion Abs for 2010	01/01/1900	12/31/9999
3000	Exp Allow Normal Taxing	01/01/1900	12/31/9999
3001	Adoption Assistance	01/01/1900	12/31/9999
3002	Suggestion Award	01/01/1900	12/31/9999
3003	Employee Recognition Awar	01/01/1900	12/31/9999
3004	Meal Reimbursement	01/01/1900	12/31/9999
3005	Tuition Assistance	01/01/1900	12/31/9999
3006	Court Reporting Fees	01/01/1900	12/31/9999
3007	Vehicle Use Taxable	01/01/1900	12/31/9999
3008	Expense Allowance 25%	01/01/1900	12/31/9999
3009	Retro Adjustment	01/01/1900	12/31/9999
3030	Resource Teacher Payments	01/01/1900	12/31/9999
3031	Staff Exchange	01/01/1900	12/31/9999

Using a Different Template on IT0014 or IT0015

You may assign a different template to IT0014 or IT0015:

- This allows a user to override the default template and assign a different template to either a recurring or one-time payment

Create 0014 Recurring Payments/Deductions

Personnel No Name
EE group Non-Chapter Personnel area Executive Status
EE subgroup ASC Salary 37... Pers. subarea FT N-Exempt

ECT(1)/330 Cost Assignment Defaults

Account Assignment

Business Area	<input type="text" value="1000"/>	Order	<input type="text"/>
Cost Center	<input type="text"/>	Network	<input type="text"/>
WBS Element	<input type="text"/>	Company Code	<input type="text" value="COMK"/>
Cost Object	<input type="text"/>		

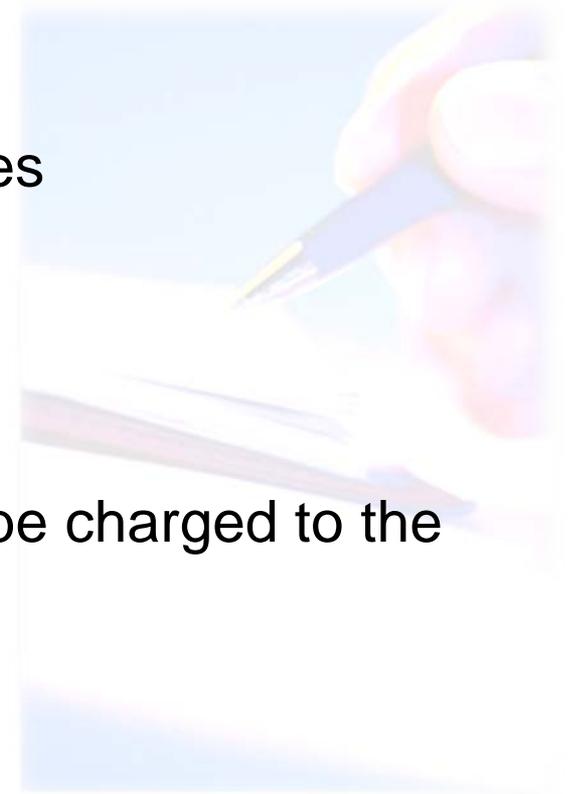
Transfer

Purpose:

A one time payment must be added to an employee pay record. We will maintain infotype 0015.



1. Basic Pay includes which of the following pay types:
 - a. Expenses
 - b. Salary/Hourly rate
 - c. Tuition reimbursements
2. The Payment Model on IT0014 designates
 - a. Tax rate
 - b. Value
 - c. Pay frequency
3. True or False? An IT0015/IT0014 must be charged to the default template.



In this lesson you learned to:

- Explain and display basic pay information
- Identify types of earnings and the infotypes on which they are set up





Deductions

Lesson 3

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Wrap Up

By the end of this lesson participants will be able to:

- Describe the process to view infotypes related to deductions
- Display the infotypes for:
 - Recurring deductions
 - Additional deductions
 - Garnishments
 - Retirement
- Understand wage types related to deductions

Refresher: Infotypes and Wage Types

Remember that *infotypes* are logical groupings that organize information in KHRIS. There are infotypes for deductions, including:

- IT0014 Recurring Deductions
- IT0015 One-time Deductions
- IT09015 Retirement (for use with KTRS only)
- IT0194 and IT0195 for Garnishments (maintained by Treasury)

Refresher: Infotypes and Wage Types

Remember that *wage types* are earnings or deduction codes that are used to identify different units of money or time that are incorporated in various ways in the calculation of pay. They each have distinct rules that determine how they are processed. There are wage types for deductions in KHRIS, including:

- Voluntary Deductions
- Retirement
- Garnishments

IT0014 Recurring Payments & Deductions

IT0014 Recurring Payments & Deductions is used when deductions are made with a specified frequency:

- Retirement
- Optional Insurances
- Credit Union Deductions
- Deferred Comp Deductions may be expressed as percent or amounts.

Create 0014 Recurring Payments/Deductions

Personnel No Name
EE group External - BN Personnel area Benefits Only Active
EE subgroup 24 Non-Paid Pers. subarea Board of Ed.
Start to

0014 Recurring Payments/Deductions

Wage Type

Amount USD
Number/unit
Assignment Number
Reason for Change

Payment dates

Payment model
1st payment period or 1st payment date
Interval in periods Interval/Unit

Additional fields

Organization Name
Address
City
State
Zip Code
Phone Number
County
Agency
Name & Address relea

Start dates for IT0014 should be the 1st day of the pay period. Dates can be entered in the future

Start	<input type="text" value="08/01/2014"/>	to	<input type="text" value="12/31/9999"/>
0014 Recurring Payments/Deductions			
Wage Type	<input type="text" value="5811"/>	Liberty Mutual	
Amount	A	<input type="text" value="10.00"/>	<input type="text" value="USD"/> <input type="text" value="Semi-monthly"/>
Number/unit	<input type="text"/>	<input type="text"/>	
Assignment Number	<input type="text"/>		
Reason for Change	<input type="text"/>		
Payment dates			
Payment model	<input type="text" value="KY09"/>	Every Period Semi Monthly	

Exception to this start date would be if an employee was hired in the middle of a pay period (Ex. 8/10/2014)

End date should be the end of the pay period. They can also be entered in the future.

You would need to use the Change button. 

Change 0014 Recurring Payments/Deductions

Personnel No	2113	Name	Abbigail Gavin		
EE group	B Non-Chapter	Personnel area	0001	Executive	Status Active
EE subgroup	02 ASC Salary 37.5	Pers. subarea	1001	FT N-Exempt	
Start	08/01/2014	to	05/31/2018	<input type="checkbox"/> Chng	04/18/2013 INSTRUCTOR13

0014 Recurring Payments/Deductions

Wage Type	5811	Liberty Mutual			
Amount	A	10.00	USD	<input type="checkbox"/> Semi-monthly	
Number/unit	<input type="text"/>				
Assignment Number	<input type="text"/>				
Reason for Change	<input type="text"/>				

Payment dates

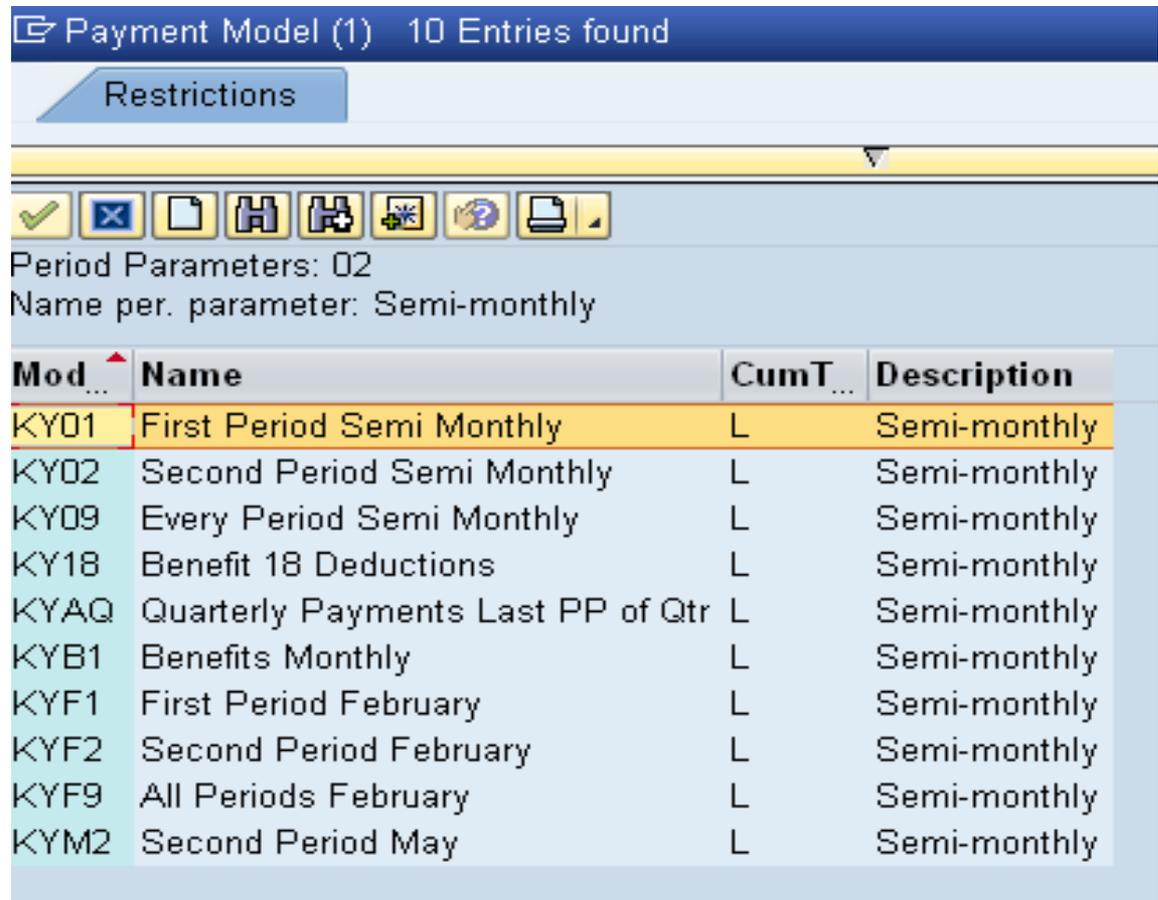
Payment model	KY09	Every Period Semi Monthly
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Payment Models are entered based on the payment frequency for either the deduction or the payment.

Select payment models from possible entries

The selection should be based on the deduction or the choice of the employee

A Payment Model should be selected



Payment Model (1) 10 Entries found

Restrictions

Period Parameters: 02
Name per. parameter: Semi-monthly

Mod...	Name	CumT...	Description
KY01	First Period Semi Monthly	L	Semi-monthly
KY02	Second Period Semi Monthly	L	Semi-monthly
KY09	Every Period Semi Monthly	L	Semi-monthly
KY18	Benefit 18 Deductions	L	Semi-monthly
KYAQ	Quarterly Payments Last PP of Qtr	L	Semi-monthly
KYB1	Benefits Monthly	L	Semi-monthly
KYF1	First Period February	L	Semi-monthly
KYF2	Second Period February	L	Semi-monthly
KYF9	All Periods February	L	Semi-monthly
KYM2	Second Period May	L	Semi-monthly

Entry Options:

- Use Create for new records



- Used when the infotype has not been maintained (no green check)
- If used when a record exists, may need to delimit existing record
- Old record will remain in the system

- Be sure to use Copy to change/update existing records

- Facilitates entry – fewer fields to update
- Creates an historical record
- Verify all entries on copied records



- Use Change only if a record was entered in error

- For example, when entering the bank account number you entered a 3 instead of a 2
- Does not create a history – overwrites the existing record
- Use Change with caution



Beware of gaps in the record's dates.

IT0015 One-Time Payments and Deductions

IT0015 One-Time Payments & Deductions are used when deductions are not made on a repeating schedule, or to make an adjustment to a deduction.

Examples include:

- To catch-up arrears on a deferred compensation contribution
- To refund overpayment on an optional insurance deduction
- To process deferrals on pay outs or block 50's
- **Be sure to use the deferred comp calculator from the personnel website.**

Personnel No	3214	Name	Mark Case
EE group	A 18A	Personnel area	0001 Executive Status Active
EE subgroup	02 ASC Salary 37.5	Pers. subarea	1000 FT Exempt
		Chng	07/06/2011 INSTRUCTOR20

0015 Additional Payments			
Wage Type	3002	Suggestion Award	
Amount	100.00	USD	
Number/unit	0.00		
Date of origin	07/06/2011		
Default Date	00		
Assignment Number			
Reason for Change			

Payroll deductions that can retro include:

- Health and Life Insurance changes should be made by benefits only
- FSA Deductions
- Employee Retirement Contributions

Note - All other wage types will have to have an adjustment on IT0015 to either deduct or pay



If an employee has overpaid a deduction:

- You may refund the money to the employee by creating an IT0015 using the wage type for the deduction with a negative amount. This will refund the amount over-deducted in the employee's next check.
- **Example-**
 - John Doe overpaid ABC Dental by \$10.00, you could do an IT0015 for -\$10.00 using the wage type for ABC Dental. On the next payroll, John's pay would reflect the refund of \$10 in the check, and the remittance to ABC Dental would reflect -\$10.00 for John.

Reimbursements are set up when an employee must reimburse an agency:

Example:

- Local Tax reimbursement/Agency reimbursement
- Incorrect retirement plan resulting in the employee owing contributions.

If a refund is due the amount will be on the employees next check.



Retirement Hardship Overview in KHRIS

- If the retirement adjustment will take all or most of the employees check you can create a hardship record for the employee and they can pay the amount back with installments.
- **Hardships should only be used for retirement**
- **Identify correct retirement plan to be updated**
 - Kentucky Retirement System/Agency Review / Employee Contact
- **Discuss repayment options with employees**
- **Update retirement records on IT0014**
- **Run payroll simulation – determine differences**
 - Enter Pay Period Deduction (WT 666D) on IT0014
 - Enter Balance (difference) (WT 666B) on IT0015
 - Enter Hardship amount on IT0015 using (WT 3016)
- **Run payroll simulation – validate results**

Wage Type 3016 – “Advance” or loan amount given to the employee to prevent the entire check from being taken.

- **Amount is difference between the correct & incorrect retirement plan**
- **Amount is entered on IT0015**
- **Amount added to gross**
- **Amount is sent to retirement**



Retirement Hardship Details

The amount to be withheld each pay period is set up as a recurring deduction on IT0014. When you create the deduction, the system will prompt you to create a limit record that is stored on IT0015.

WT 666D – Pay period deduction amount. IT0014

Wage type	Wage Type Long Text	From	To	O	Amount	Crcy	
666D	Pre Tax Reimburse Ded	06/16/2012	12/31/9999	A	35.91	USD	

WT 666B – Amount collected from the employee. This limit is tied to the amount set on 666D. IT0015

666B	Pre Tax Reimburse Bala...	06/16/2012		107.73	USD	0.00	
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WT 666B & WT 3016 should have the same amount/dates on IT0015

W...	Wage type long text	Date	C	Amount	Crcy	I	Number	Unit	
3016	Hardship Adjustment	06/16/2012		107.73	USD		0.00		

Retirement Hardship Details

The current period deduction and the remaining balance for the hardship can be found in the pay results for the period.

Seq. number	00123 - accounted on 07/23/2012 - current result	
For-Period	14.2012 (07/01/2012 - 07/15/2012)	
In-Period	14.2012 (Fin.: 07/15/2012)	
* 666B Pre Tax Rei		71.82
* 666D Pre Tax Rei		35.91-

The end date is the infinity date because it will continue taking the deduction until the total amount has been satisfied.

Use the Payroll Simulation to find the difference

What needs to be done next?

Identify hardship amount owed by employee. Your agency simulator can run payroll simulation after the correct retirement plans on IT0014 have been completed. After the simulation the simulator can send you the payroll results. You will need to review the retirement transactions.

Payroll Simulation results

* 600E KERS EE Ret01	1,478.39
* 602E Hazardous R	171.09-
* 602E Hazardous R01	2,365.45-
* 602R Hazardous R	619.77

Use the Payroll Simulation to find the next results

What needs to be done next?

Validate the results with another payroll simulation after all records have been created

* 666A Pre Tax Rei	75.00-
* 666B Pre Tax Rei	812.06
* 666D Pre Tax Rei	75.00-
.	
3 3016 Hardship Ad	887.06

666A = Balance of amount deducted from check

666B = Balance of amount still owed by employee

666D = Amounted deducted from the check

3016 = Original amount of hardship

Reimbursements are set up when an employee must reimburse an agency: (Similar records as the hardship except wage type 3016 is not created)

Example:

- Pay back Tuition Assistance (Post Tax)
- Local Tax/Agency reimbursement
- When a reimbursement is set up in KHRIS, there are three wage types with the same number except for the last character as an identifier:
 - A (Accumulative Balance), i.e., \$1000, \$950, \$900, \$850....
 - B (Balance) \$1000 (beginning balance)
 - D (Deduction Amount) \$50.00 payment made each check
- The deduction amount D is set up on IT0014. The balance B is set up on IT0015. The accumulative balance A will be created and maintained automatically when you set up D and B and is shown in Display pay results.

- **Earl.pers.RA Date** – This is the earliest period retro activity can be run for an employee.
- **Accounted to** – This is the pay period end date which payroll has been run for this employee.
- **Earliest MD change** – System uses this field to track the earliest date of master data changes. Changes made prior to the “Accounted to” date cause retro to run.
- **Mast.data chng.bonus** – This field tracks changes to the master data. Changes made prior to the “Accounted to” date cause retro to run.
- **Pers.no.locked** – When this button is activated, the employee is locked and no pay results will be calculated.
- **Payroll correction** – When this button is activated, the employee has had a pay related change between initial and final payroll.

Payroll/Retroactive Accounting			
Earl.pers. RA date	<input type="text" value="01/16/2012"/>	Accounted to	<input type="text" value="09/30/2012"/>
Run payroll up to	<input type="text"/>	Earliest MD change	<input type="text"/>
Do not account after	<input type="text"/>	Mast.data chng.bonus	<input type="text"/>
<input type="checkbox"/> Pers.no.locked		<input type="checkbox"/> Payroll correction	

[➔ Bonus Info](#)

- **Earl.pers.rec.date** – This is the earliest period that time evaluation can be run for this employee.
- **Pers.calendar from** – This date is populated in KHRIS but is not currently used in US payrolls.
- **PDC recalculation** – This date specifies when the next time evaluation should be run. If retroactive time changes are made to an employee, this date will be set back to the first date of the change. This causes time evaluation to run retro-actively.
- **PDC error indicator** – This will be activated if the time evaluation program could not run successfully for an employee in the most recent run.

Time evaluation			
Earl.pers.rec.date	12/16/2012	Pers.calendar from	03/16/2011
PDC recalculation	05/16/2013		
<input type="checkbox"/>	PDC error indicator		

NOTE: Both the Time & Payroll earliest retro dates change.

- **For KTRS reporting only:**
may be maintained or changed
- All retirement wage types are set up on IT0014 for deducting contributions from pay
- Teachers Retirement
 - The pay indicator should be set for either 21 or 24 pay periods
 - The Contract and District Fields will have drop downs showing the available selections

The screenshot shows the 'Retirement Plans' window in the IT9015 system. The window title is 'Retirement Plans'. The menu bar includes 'Infotype', 'Edit', 'Goto', 'Extras', 'System', and 'Help'. The toolbar contains various icons for navigation and actions. The main data area is divided into several sections:

Personnel No	<input type="text"/>	Name	<input type="text"/>		
EE group	B Non-Chapter	Personnel area	0001 Executive Status Active		
EE subgroup	68 NL Hourly 37.5	Pers. subarea	1003 PT<100 N-Exempt		
Start	11/01/2012	To	12/31/9999	Chngd	11/15/2012 JJS0070

Teachers Retirement

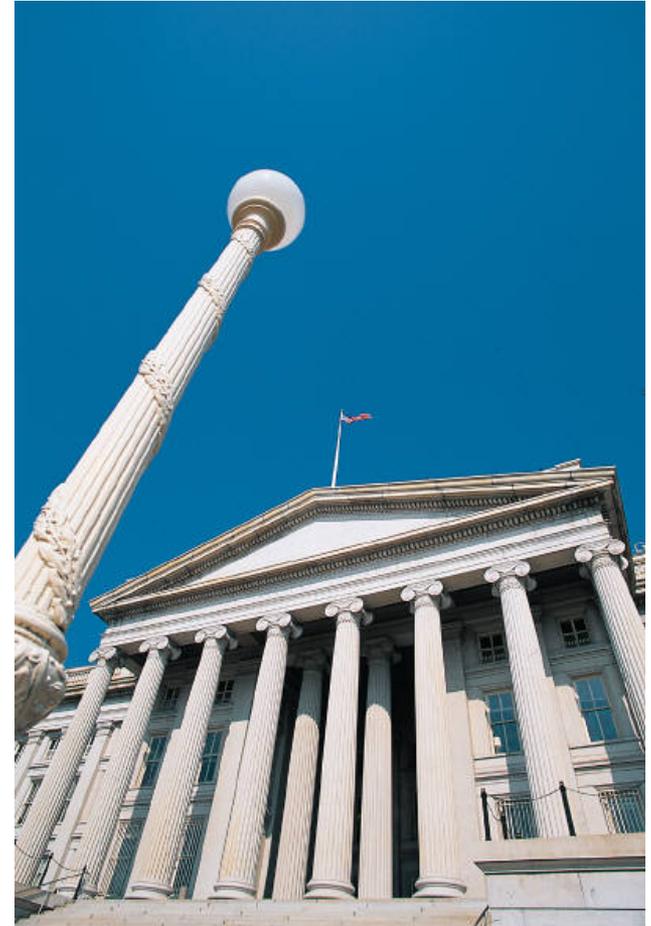
Pay ind.	0	21/24 Pay
Contract	228	
District	301	TECH ED MADISONVILLE

Location Code (County Employees Only)

Location Code	<input type="text"/>
---------------	----------------------

All Garnishments are now handled by Treasury. They will set up the garnishments in KHRIS.

- You can view the IT0194 Garnishment Document & IT0195 Garnishment Order using PA20
- Treasury will set up garnishments based on priority rules and the order.
- HRGs will only be notified if it is a Federal Tax Levy as the employee will have to complete the exemption form



IT0194 and IT0195 Garnishments

Garnishments will be received and set up by the State Treasurer's office.

- Most are effective immediately
- Processed based on priority rules
 1. Child Support
 2. Federal Tax Levies
 3. State Tax Levies
 4. Others are first come, first served basis

The screenshot displays two overlapping windows from the HRIS system. The top window is titled "Display 0194 Garnishment Document" and shows details for a garnishment document. The bottom window is titled "Display 0195 Garnishment Order" and shows details for a garnishment order. Both windows share the same personnel information for Samantha Pryor.

Display 0194 Garnishment Document

Personnel No	155368	Name	Samantha Pryor			
EE group	A 18A	Personnel area	0001	Executive	Status	Active
EE subgroup	02 ASC Salary 37.5 Pers. subarea	1001	FT N-Exempt			
Start	05/16/2010	to	12/31/9999	Chg.	07/08/2010	CONVADM

Display 0195 Garnishment Order

Case no.	403113034	Status	1 Active	Priority	10	Jurisdict	
Vendor	2007004	Name	WILLIAM W. LAWRENCE				
Street	246 LEGAL ARTS BLDG					City	LOUISVILLE
Zip code	40202	Plaintiff					
Remittance	10999 Immediate Payment					Send ans.	1 Every pay period
Service Ch							

0195 Garnishment Order

Case no.	403113034	Internal no.	0001	Sequence no.	01	
Order Type	BA	Bankruptcy				
Rule Non-exempt	000	Bankruptcy				
Initial Balance	0.00	USD				
Deduction	155.00	3 Pay period amount				

Limit 1

<input checked="" type="radio"/> Non-exempt	<input type="radio"/> Exempt
Value	0.00
Unit	

Limit 2

<input checked="" type="radio"/> Non-exempt	<input type="radio"/> Exempt
Value	0.00
Unit	

Additional Amount

<input checked="" type="radio"/> Non-exempt	<input type="radio"/> Exempt
Value	0.00
Unit	

Follow along as your instructor leads you through the steps

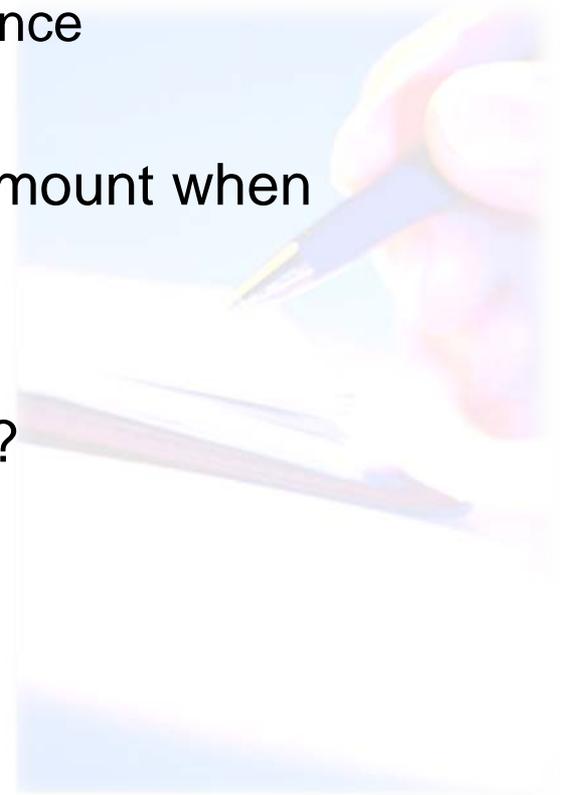
Purpose:

We will display Infotypes 0194/0195 to identify the information for Garnishments.

1. Which of the following wagetypes will retro?
 - a. 6724 Tenure Dues
 - b. 611E KERS 2008 Employee Retirement
 - c. 5541 Mutual of Omaha Voluntary Insurance

2. What sign (indicator) is used with the amount when refunding a deduction on IT0015?

3. Which process is a one time deduction?
 - a. IT0014
 - b. IT0015
 - c. IT0194



In this lesson you learned to:

- Describe the process to view infotypes related to deductions
- Display the infotypes for:
 - Recurring deductions
 - Additional deductions
 - Garnishments
 - Retirement
- Understand wage types related to deductions





Taxes

Lesson 4

Lesson 1: Payroll Overview

Lesson 2: Earnings

Lesson 3: Deductions

Lesson 4: Taxes

Lesson 5: Bank Details

Lesson 6: Reports

Lesson 7: Additional Processes

Wrap Up

By the end of this lesson participants will be able to:

- Identify Infotypes Required for Tax Calculation
- Identify IT0207 Residence Tax Area
- Identify IT0208 Work Tax Area
- Identify IT0210 Withholding Information W4/K4
- Identify IT0235 Other Taxes
- Explain IT0161 IRS Limits

Infotypes Required for Tax Calculation

There are many tax areas that must be maintained for payroll. Some are required for all employees and others are based on special circumstances such as limit of exemptions or exemptions on some taxes.

Required for all employees

- IT0207 Resident Tax
- IT0208 Work Tax Area
- IT0210 Withholding Information W4/K4

Special Circumstances

- IT0235 Other Taxes US – Social Security and Medicare
- IT0161 IRS Limits – IRS Lock-in Letter

Note: No gaps in dates.

Follow along as your instructor leads you through the steps

Purpose:

Go to Personnel Website and review Local tax spreadsheet.

Find the following Local Tax Rate information:

1. Bath county
2. Marshall County Resident
3. Cumberland County Resident >\$100,000.00

What if you can't find a Local tax authority on the list?

- If you are looking for a tax authority (location) on the tax list and do not see it, the most likely reason is that the locality does not impose an occupational tax
- BSI (Business Software Inc.), the tax module that provides KHRIS with tax information, is updated with local tax additions and other changes, and contains all occupational taxes
- In the unlikely event that you are asked to set up an occupational tax and the locality is not on the tax list, please submit a Business Request through the Personnel Cabinet.

IT0207 Residence Tax Area

A Residence Tax is not always imposed on employees. This is used when an employee works in a city or county that imposes a residence tax on earnings. The Copy button may be used with this infotype.

- Not all areas have residence tax
- Only applicable if you live within the taxing area. Otherwise it will reflect KY for all employees.

Display 0207 Residence Tax Area

Personnel No: 57928 Name: Chi Tipton

EE group: A 18A Personnel area: 0001 Executive Status: Active

EE subgroup: 03 ASC Hourly 40 Pers. subarea: 1001 FT N-Exempt

Start: 05/02/2010 to: 12/31/9999 Chg.: 07/12/2010 CONVADM

Resident data

Tax area: KY02 Boone

Tax Authorities in Area

Tax	Description	T	Description
FED	Federal	A	Federal
KY	Kentucky	B	State
KY02	Boone	C	County

Purpose:

Use this procedure to maintain IT0207 Residence Tax.



Some cities and counties impose an occupational tax, based upon where the employee works.

- Not all areas have an occupational tax- if the employee works in an area without occupational tax they should be setup as KY on IT0208
- May be split between work locations
 - Ex. 50% KY0D and 50% KY20
 - Must always equal 100%
 - Only use **Create** with this infotype, as copying will not delimit the previous record
 - If currently only one tax location, must delimit then create new ones

REVIEW

The most updated Local Tax Spreadsheet can be found on the Personnel Website.

To create a Work Tax change for an employee going from 1 area to 2 areas :



1. Delimit the current record(s) by using the Change button and enter the new to date
2. Create the new record(s) by using the Create button and enter the new information including the start date.

Change 0208 Work Tax Area

Personnel No	2119	Name	
EE group	B Non-Chapter	Personnel area	
EE subgroup	02 ASC Salary 37.5	Pers. subarea	
Start	05/01/2010	to	10/31/2014

Work tax data

Tax Area	KY	Kentucky
Allocation	100.00	%
Predominant Tax Area	No	

Start	11/1/2014	to	12/31/9999
-------	-----------	----	------------

Work tax data

Tax Area	ky0a	
Allocation	33	%

Create 0208 Work Tax Area

Personnel No	2119	Name	
EE group	B Non-Chapter	Personnel area	
EE subgroup	02 ASC Salary 37.5	Pers. subarea	
Start	11/1/2014	to	12/31/9999

Work tax data

Tax Area	KY20	
Allocation	67	%

Purpose:

Use this procedure to maintain IT0208 Work Tax data for an employee.



IT0210 Withholding Information W-4/K-4

Federal and State taxes are maintained on IT0210

- Stores the details from an employee's Federal Employee Withholding Allowance Certificates (Form W-4) and from the employee's state Allowance Certificates (Form K-4)
- Specifies exemptions and/or additional amount to be withheld for paying federal and state taxes
- May be updated through ESS
- The effective date of change should correspond to check date and not pay period date

NOTE:

KY does not withhold other State tax

The image shows two overlapping screenshots of the 'Display 0210 Withholding Info W4/W5 US' form. The top screenshot is for Samantha Pryor (Personnel No. 55368) and the bottom screenshot is for Long P Lummer (Personnel No. 57368). Both forms display personal information, tax authority (FED), filing status, exemptions (allowances and tax exempt indicator), withholding adjustments (add withholding and default formula), and W-5 filing status. The bottom form also includes an 'Overrides' table for supplemental methods, tax overrides, and exemptions.

From date	End Date	Supplemental method	Tax override	Em...

Certificate of Nonresidence

Employees who are residents of reciprocal states may either submit a **Certificate of Nonresidence** (<http://www.revenue.ky.gov/NR/rdonlyres/B31AA48A-6E3D-4BFD-B892-25DC9C6A4384/0/42A809.pdf>) and be set up for KY, exempt, reportable (effectively having no state income tax withheld and the taxable amount reported), or they may elect to have KY tax withheld and submit a K-4.



If a resident of a reciprocal state submits neither a Certificate of Nonresidence or K-4, you should set up the employee for Kentucky, no exemptions. Regardless of where the employee lives, or which option they take, the IT0207 MUST reflect Kentucky.

If employees fail to submit a W-4, the default is Single with 0 exemptions. If an employee fails to submit a K-4, the default is 0 exemptions.

- Advanced EIC is no longer available. Eligible employees may receive EIC through their tax return.
- IT0210 also stores the Tax Exempt indicator if an employee was exempt from paying federal or state taxes. The Indicators

are:

- 1) exempt not reportable
- 2) exempt reportable



Purpose:

Use this procedure to maintain employees W4 Tax Withholding information.



Maintain Other Taxes is used to exempt an employee from certain taxes for special circumstances. Exempt taxes are displayed .

Check all new employees to your agency for exempted taxes.

Examples of exempted taxes:

- Social Security/Medicare (Teachers)
- Transpark Tax in Warren Co.

Overview 0235 Other Taxes US

Personnel No Name

EE group 18A Personnel area Executive

EE subgroup ASC Salary 37.5 Pers. subarea FT Exempt

Choose to SubType

Other Taxes	
Start Date	Er
09/01/2010	12
08/02/2010	08

Display 0235 Other Taxes US

Personnel No Name

EE group 18A Personnel area Executive Status

EE subgroup ASC Salary 37.5 Pers. subarea FT Exempt

Start to Chg. BPP0008

Tax type exceptions

Tax authority Federal Tax level Federal

Other Taxes					
Ta	Description	D	Text	F	Text
02	Earned Income Credit Payment	1	EARNED INCOME C0		
03	Employee Social Security Tax	1	EMPLOYEE SOCIAL0		
04	Employer Social Security Tax	1	EMPLOYER SOCIAL0		
05	Employee Medicare Tax	1	EMPLOYEE MEDICA0		
06	Employer Medicare Tax	1	EMPLOYER MEDICA0		
10	Employer Unemployment Tax	1	EMPLOYER UNEMF0		

Entry of

Purpose:

Teachers are exempt from Social Security payments but not Medicare. We need to be sure to create the exemption in the payroll system.



An employee may have limits on exemption amounts set by the IRS.

- The IRS Limits infotype ensures that the system will not allow an employee to claim more allowances or withholding than the IRS has deemed appropriate
- The system compares the IRS mandated settings in IT0161 to the W4 information stored in IT0210 and will use whichever amount is lower
- The document that triggers the set up of IT0161 is referred to as a “Lock-In Letter”
- These are maintained by the Division of Employee Management (DEM) Payroll Branch.

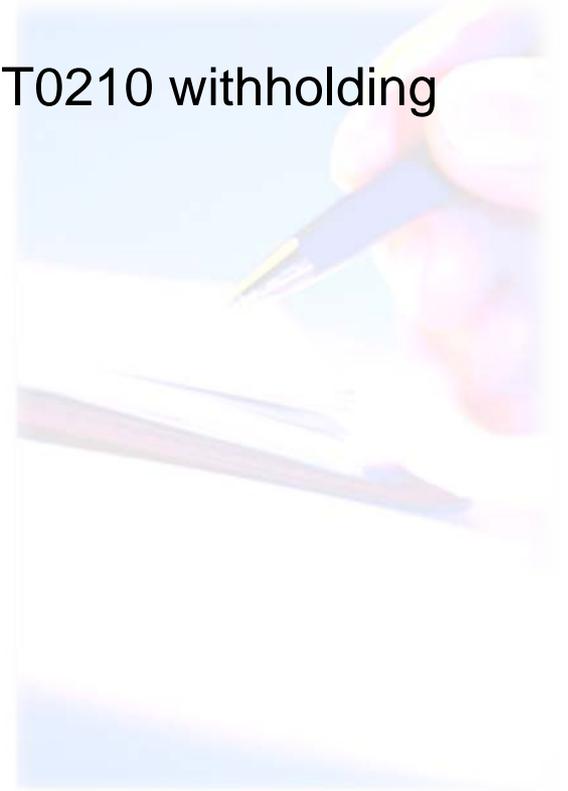
Two examples of this IRS Limit:

- An employee has an IRS Limit record with 5 allowances. The W4 submitted by the employee has 8 allowances (and therefore has a W4 Withholding Information record with 8 allowances). When the payroll is run, the payroll driver will use the 5 allowances from IT0161 to calculate the withholdings.
- An employee has an IRS Limit record with 5 allowances. The W4 submitted by the employee has 4 allowances (and therefore has a W4 Withholding Information record with 4 allowances). In this case, when payroll is run, the system uses the claimed allowances of 4 from IT0210 Withholding Information W4 to calculate the withholdings as this is a smaller deduction than the limit set by the IRS.

Knowledge Check

1. Which of the following infotypes will let you split the tax area?
 - a. Residence tax
 - b. Work tax
 - c. Other taxes

2. Which of the following data is contained in IT0210 withholding information W4/K4?
 - a. Residence tax
 - b. Federal tax allowances/State tax allowances
 - c. Work area tax



In this lesson you learned to:

- Identify Infotypes Required for Tax Calculation
- Identify IT0207 Residence Tax Area
- Identify IT0208 Work Tax Area
- Identify IT0210 Withholding Information W4/K4
- Identify IT0235 Other Taxes
- Explain IT0161 IRS Limits





Bank Details

Lesson 5

Lesson 1: Payroll Overview

Lesson 2: Earnings

Lesson 3: Deductions

Lesson 4: Taxes

Lesson 5: Bank Details

Lesson 6: Reports

Lesson 7: Additional Processes

Wrap Up

By the end of this lesson participants will be able to:

- Explain Bank details
- Explain the difference in EFT to Credit Unions vs. Credit Union Deductions
- Understand the concept of Main Bank vs. Other Bank

Bank Details contains information about how an employee receives their pay.

- Check
- Electronic Funds Transfer (EFT) Direct Deposit
- Employees can have unlimited EFT's (One main bank and the rest other banks)

New Employees are mandated to have direct deposit and paperless statements as a condition of employment.

Display 0009 Bank Details

Personnel No 155409 Name Don Campos
EE group A 18A Personnel area 0001 Executive Status Active
EE subgroup 02 ASC Salary 37.5 Pers. subarea 1000 FT Exempt
Start 05/02/2010 to 12/31/9999 Chng 07/08/2010 CONVADM

Bank details

Bank details type 0 Main bank
Payee Don Campos
Postal Code/City 420711566 Murray
Bank Country US USA
Bank Key
Bank Account Bank control key
Payment method C Check - Payroll
Purpose Payment Method (1) 3 Entries fou...
Payment currency US

Restrictions

No Paper Pay Statement
No Paper Pay Statement

PM text
Cash Payment
C Check - Payroll
P Bank transfer (ACH PPD)

Bank Key = Routing Number (the routing number is validated against the Federal Reserve Routing Directory)

Bank Account = Employee account number

Bank Control Key = this indicates whether it is savings or checking account. 01 = Checking, 02 = Savings. There is NOT a drop down box for this.

Payment Method = this indicates whether EFT or Paper check. C = Check (paper check), P = Bank Transfer(EFT)

No Paper Pay Statement = this is where an employee can elect to go “green” and view their remuneration statement thru ESS and no longer receive a paper pay check stub.

Display 0009 Bank Details

Personnel No	155409	Name	Don Campos		
EE group	A 18A	Personnel area	0001	Executive	Status Active
EE subgroup	02 ASC Salary 37.5 Pers. subarea	1000	FT Exempt		
Start	05/02/2010	to	12/31/9999	Chng	07/08/2010 CONVADM

Bank details

Bank details type	0 Main bank				
Payee	Don Campos				
Postal Code/City	420711566 Murray				
Bank Country	US USA				
Bank Key					
Bank Account					
Bank control key	<input type="checkbox"/>				
Payment method	C Check - Payroll				
Purpose	Payment Method (1) 3 Entries fou				
Payment currency	US				

Restrictions

No Paper Pay Statement	No Paper Pay Statement				
------------------------	------------------------	--	--	--	--

PM Text

- Cash Payment
- C Check - Payroll
- P Bank transfer (ACH PPD)

New employees will no longer receive a paper pay stub.

Entry Options:

- Use create for new records 
- Be sure to use copy to change/update existing records 
 - Facilitates entry – fewer fields to update
 - Creates an historical record
- Use change only if a record was entered in error 
 - For example, when entering the bank account number you entered a 3 instead of a 2
 - Does not create a history – overwrites the existing record
 - Use Change with caution

Remember:

- Bank Details may be entered by the employee through ESS
- Watch your dates—there can be no gaps in the bank details history

GAPS IN DATES ARE BAD

There may be more than one bank on IT0009 Bank Details

- Main Bank

- This is the employee's primary bank for the deposit of net pay (or, in the case check is chosen, all net pay is on one check)
- If an Other Bank is identified, the amount specified in the entry will be deducted from the net pay and routed to the Other Bank before deposit is made to the main bank
- Based on check date

- Other Bank

- This option is used when an employee wants a defined amount of his or her net pay deposited into a different account than the main bank account
- Employees may have an unlimited number of other banks
- Based on pay period begin date
- Employees can choose either amount or %

Bank details	
Bank details type	0 Main bank
Payee	0 Main bank
Postal Code/City	1 Other bank
Bank Country	2 Travel Expenses
Bank Key	5 Main bank details for Off-Cycle
	6 Other bank details for Off-Cycle

Main Bank vs. Other Bank

Be aware that the amount designated to the other bank will be deposited BEFORE the deposit to the main bank.

If you specify an Other Bank, it must be either check or electronic funds transfer (direct deposit) as selected in the Main Bank. You cannot mix a check and an electronic funds transfer.

Gross Pay is	\$ 2,000.00
Deductions:	<u>500.00</u>
Net Pay is:	\$ 1,500.00
Other Bank:	<u>500.00</u>
Main Bank:	\$ 1,000.00

*Gross Pay is:	\$1200.00
Deductions:	<u>300.00</u>
Net Pay is:	\$900.00
Other Bank:	<u>500.00</u>
Main Bank:	\$ 400.00

*less hours worked/overtime

The scenario shown above is for a designated amount of \$500. If the employee had selected 10% then the Other Bank would have received \$150.00 in Scenario 1, and \$90.00 in Scenario 2.

When payroll is processed, the system looks at the date of the payment (check date) for the employee and compares that date to the main bank records on IT0009. That determines which account will receive the monies for that payroll cycle. For example, an employee has the following records on IT0009:

- 03/16/2011 to 03/31/2012 Account 12345
- 04/01/2012 to 12/31/9999 Account 98765

Payroll is being run for the period 03/16/2012 through 03/31/2012. The check date for this pay period is 04/15/2012. The system will send the ACH (Automatic Clearing House) transaction to which account and why?

Transactions for “Other Banks” will follow the normal pay period date routine and be effective when the respective pay period is processed for an employee.



Purpose:

We will maintain Bank Details Infotype 0009.



EFT to Credit Unions vs. Credit Union Deductions

What's the difference between EFT to a Credit Union and a Credit Union deduction?

- An EFT is an electronic funds transaction that goes through the ACH process. It is the net or a portion of the net payment **(IT0009)**
- A Credit Union deduction is not the same as an EFT. It is a payment to a credit union that is processed as a voluntary deduction. It is deducted from gross wages, before the net is calculated **(IT0014)**.



In this lesson you learned to:

- Explain Bank details
- Explain the difference in EFT to Credit Unions vs. Credit Union Deductions
- Understand the concept of Main Bank vs. Other Bank





Reports

Lesson 6

Lesson 1: Payroll Overview

Lesson 2: Earnings

Lesson 3: Deductions

Lesson 4: Taxes

Lesson 5: Bank Details

Lesson 6: Reports

Lesson 7: Additional Processes

Wrap Up

By the end of this lesson participants will be able to:

- Discuss payroll simulation
- Execute the payroll journal
- Display the Remuneration Statement
- Read payroll results

After changes or corrections are made to payroll data for employees, a payroll simulation may be executed prior to the regular payroll run.

- Results of the simulated run are not saved
- System does not lock master data
- Allows you to identify errors in advance of the actual payroll run
- You should run simulations for:
 - Tax changes
 - Retro master data changes

The screenshot displays two SAP windows. The top window, titled 'Display Log Tree', shows a tree structure with 'Payroll log' expanded. The 'Statistics' folder is highlighted in yellow, containing sub-items: 'Selected personnel numbers', 'Successful', 'Number of periods', 'Rejected', and 'Total number of messages and error message'. The bottom window, titled 'Layout Set Display', shows payroll data for employee George Jenkins. The data includes:

Check/EFT Number	Gross	Taxes	Deductions	Net
0019393900020	6,120.84	0.00	315.35	2,745
YTD	3,060.42	3,831.17	12,639.37	17,233

	Retro-active Amount	Current Period Amount	Year To Date Amount
EARNINGS			
Compensated Hours		6,120.84	3,060.42
*** Total Earnings		6,120.84	3,060.42
STATUTORY DEDUCTIONS			
FED TX Withholding Tax			2,594.42
KY TX Withholding Tax			930.35
KY4X TX EE Occupation Tax			306.40
*** Total Statutory Deductions			3,831.17
VOLUNTARY DEDUCTIONS			
Optimum PPO PreTx		13.75	151.25
KTRS EE Retirement		301.60	3,321.52
Deferred Comp 401K			9,166.60

The payroll journal contains payroll data for selected employees during a time frame or payroll period.

- One pay period or multiple pay periods
- Monitors totals for deductions and/or earnings
- One or multiple employees can be viewed
- Summary Page

Payroll Journal					
EARNINGS			EMPLOYER PAID BENEFITS		
	CURR	YTD		CURR	YTD
9E01 RegPay	1,314.56	1,314.56	603R SPRETER	434.86	434.86
TTYE		1,314.56			
EMPLOYEE TAXES			EMPLOYER PAID TAXES		
	CURR	YTD		CURR	YTD
	307.14		FED OASDI ER	74.98	74.98
FED W/H EE	134.48	134.48	FED MedcarER	17.54	17.54
FED OASDI EE	74.98	74.98			
FED MedcarEE	17.54	17.54			
KY W/H EE	57.14	57.14			
KY20 Occup.EE	23.00	23.00			
EMPLOYEE TAXABLE WAGES					
	CURR	YTD			
FED W/H tax	1,209.40	1,209.40			
FED OASDI EE	1,209.40	1,209.40			
FED Medic EE	1,209.40	1,209.40			
KY W/H tax	1,209.40	1,209.40			
KY20 Occup.EE	1,314.56	1,314.56			
EMPLOYEE DEDUCTIONS					
	CURR	YTD			
603E SPReTEE	105.16	105.16			
TTYD	105.16	105.16			
Payroll Distribution: Check and Electronic Transfers					
/559 Payment	902.26				
Commonwealth of Kentucky					Page
Payroll Journal					

SUMMARY PAGE					10/2010
CostCenter: 3109500000					
EARNINGS			EMPLOYER PAID BENEFITS		
	CURR	YTD		CURR	YTD
9E01 RegPay	1,314.56	1,314.56	603R SPRETER	434.86	434.86

Purpose:

Use this procedure to run the payroll journal.



Remuneration Statements display earnings and deductions for a particular pay period and year to date accumulations.

- ESS permits employees to view their earnings and deductions on-line
- Payroll administrators are able to view employee remuneration (pay) statements by executing the transaction PC00_M10_CEDT
- Time keepers and Administrators now have the ability to execute these for their employees

The screenshot shows the 'Remuneration Statements' application interface. It features a header with the title and navigation icons. Below the header are three buttons: 'Further selections', 'Search helps', and 'Sort order'. The main area is divided into several sections:

- Payroll period:** Includes fields for 'Payroll area' (SM), 'from' (05/01/2010), and 'To' (05/15/2010). There are radio buttons for 'Current period' (selected) and 'Other period'.
- Selection:** Includes a 'Personnel Number' field and a 'Payroll area' dropdown menu (SM).
- Parameters for remuneration statement:** A list of parameters including 'Special run', 'Form name' (ZCRP - HRIS Remuneration Statement with OT), 'Print current period' (A), 'Print retroactive runs' (X), 'Layout of retroactive runs' (J), 'Sort retroactive runs' (1), 'Output language' (B), 'Print superlines' (checkbox), 'Check ESS' (checkbox), 'Number of test forms' (input field), and 'Output log' (checked checkbox).
- Output currency:** Includes radio buttons for 'For-period' (selected), 'In-period', and 'Alternative currency'.

Purpose:

Once payroll processing is complete, use this process to view the Remuneration Statement for an employee or several employees.



Payroll Results allows you to view detailed information about an employee's pay by pay period.

The For-Period identifies the originating period for the payroll results. The In-Period identifies the period in which the payroll results were generated.

Display payroll results

Selection

Personnel number 

all results from

Personnel numbers selected

Res.	Pers.No.	Name...
<input checked="" type="checkbox"/>	789	George Newman

Payroll Results George Newman / USA

C	Payment date	R	For-Period	In-Period	Start/FP	End/FP
A	05/31/2010		10.2010	10.2010	05/01/2010	05/15/2010
P	06/15/2010		11.2010	11.2010	05/16/2010	05/31/2010
A	06/15/2010		11.2010	12.2010	05/16/2010	05/31/2010
A	06/30/2010 		12.2010	12.2010	06/01/2010	06/15/2010

How to read Payroll Results

Each table can contain detailed data about the pay check for the employee during that pay period

Display payroll results

Selection

Personnel number 

all results from

Personnel numbers selected

Res.	Pers.No.	Name...
	789	<u>George Newman</u>
	2113	Abbigail Gavin

George Newman / Seq.nr. 00004 (06/01/2010 - 06/15/2010)

Name	Name
WPBP	Work Center/Basic Pay
RT	Results Table
RT_	Results Table (Collapsed Display)
CRT	Cumulative Results Table
BT	Payment Information
CO	Cost Distribution
VERSION	Information on Creation
PCL2	Update information PCL2
VERSC	Payroll Status Information
TAX	Employee tax details
TAXR	Residence and unemployment tax details
TAXPR	Tax proration table
TCRT	Cumulated tax results
BAL	Balance table used for tax retrocalculation
NAME	Name of Employee
ADR	Address
PERM	Personal Characteristics
MODIF	Modifiers

- Displays the gross earnings and deductions
- Shows employee and employer contributions
- Net pay is also available
- Reflects additions, and subtractions from any retroactivity
- Leave
 - Hours earned
 - Hours taken
 - Ending balances
 - Other leave taken

Tables / field strings of payroll result			
Payroll Results			
Personnel No.	338 Terry Custer - USA		
Seq. number	00001 - accounted on 11/18/2010 - current result		
For-Period	10.2010 (05/01/2010 - 05/15/2010)		
In-Period	10.2010 (Fin.: 05/15/2010)		
* /306 TG ER Medic 01			1,213.72
* /550 Statutory n			1,213.72
* /559 Payment	01		1,153.03
* /560 Amount to b			1,153.03
* /5PY Good Money			1,213.72
* /5U3 Number of p		1.00	
* /5UA Gen Taxable			1,213.72
* /5UB Tax base wa			1,213.72
* /5UG Tax gross w			1,213.72
* /5UT Actual Work		75.00	
* /5UU Taxable Hou		75.00	
* /601 TB Withhold 01			1,153.03
* /601 TB Withhold 02			1,153.03
* /603 TB EE Socia 01			1,153.03
* /604 TB ER Socia 01			1,153.03
* /605 TB EE Medic 01			1,153.03
* /606 TB ER Medic 01			1,153.03
* /700 RE plus ER			1,354.63
* /840 Diff.curr.f01		6.25-	
* 600E KERS EE Ret			60.69-
* 600R KERS Retire			140.91
* 900R KERS Retire			140.91
* 9200 Salaried Re			1,213.72
* 9001 CW Retireme			60.69-
* 9E01 CW Compensa			1,213.72
* 9E13 CW Gross Pa			1,213.72
* 9N01 CW Net Pay			1,153.03
* 9R05 CW ER Retir			140.91
3 /001 Valuation b01		14.938	
3 /002 Valuation b01		16.183	
3 1002 Pay Period 01			1,213.72

Follow along as your instructor leads you through the steps

Purpose:

Once payroll has completed processing, use this process to view the Payroll Results (Collapsed Display) for an employee.

Payroll Results for Retroactive Payments

Anytime an employee has a retroactive deduction or earning the system will make an adjustment to the affected payroll periods.

- An adjustment is made to the affected payroll
 - Results in multiple displays for one payroll period
- Results are displayed by For-Period, In-Period
- The newest payroll period will include the amount either deducted or added to the payroll

Display payroll results

Selection

Personnel number 

all results from

Payroll Results Cindy Jackson / USA

Cu..	Pmt date	R	For-Peri...	In-Period	Start/FP	End/FP	C
A	05/31/2010		10.2010	10.2010	05/02/2010	05/15/2010	
P	06/15/2010		11.2010	11.2010	05/16/2010	05/31/2010	
A	06/15/2010		11.2010	12.2010	05/16/2010	05/31/2010	
A	06/30/2010		12.2010	12.2010	06/01/2010	06/15/2010	

Adjusted Payroll Results

- Example: IT0008 shows the reason for the retroactive payment
- The three Payroll Results Tables show the progression of the adjustments

Overview 0008 Basic Pay

Payments and deductions

Personnel No: 400 Name: Cindy Jackson
 EE group: A 18A Personnel area: 0001 Executive
 EE subgroup: 02 ASC Salary 37.5 Pers. subarea: 1001 FTN-Exempt
 Choose: 01/01/1800 to 12/31/9999 STy.:

STy	Start Date	End Date	Ty	PSA	PS group	Lv	Amount	Curr	Annual salary	Curr
0	05/16/2010	12/31/9999	01	02	05	00	700.000	USD3	16,800.000	USD:
0	05/02/2010	05/15/2010	01	02	05	00	622.930	USD3	14,950.300	USD:

Increase in pay

Table RT - Results Table (Collapsed Display)

A Wage Type	APC1C2C3aBKoReBTAwTvNOne Amount/One Number	Amount
* /101 Total gross		622.93
* /102 401(k) Wage		622.93
* /109 ER benefit		72.32
* /110 Net payment		31.15-

Original pay for period 11 of 2010

Table RT - Results Table (Collapsed Display)

A Wage Type	APC1C2C3aBKoReBTAwTvNOne Amount/One Number	Amount
* /101 Total gross		700.00
* /102 401(k) Wage		622.93

Adjusted payroll for period 11 of 2010

Table RT - Results Table (Collapsed Display)

A Wage Type	APC1C2C3aBKoReBTAwTvNOne Amount/One Number	Amount
* /101 Total gross		700.00
* /102 401(k) Wage		777.07
* /109 ER benefit		17.90

Payroll for period 12 of 2010

The payroll results for the Active periods for the retroactive adjustments shows an Outflow and an Inflow.

- Notice the Active pay results for Period 11 shows an Outflow of \$77.07
- The Active pay results for Period 12 shows an Inflow of \$77.07
- Because the Inflow of \$77.07 is a positive amount it will be added to the employee's check.

* /551 Retrocalc.d	77.07-
* /553 Recalc.diff	77.07-

* /X02 Outflow(/10	77.07
* /X90 Outflow(/19	77.07
* /X91 Outflow(/19	77.07
* /X92 Outflow(/19	77.07

Active pay for period 11

* /552 Difference	77.07
-------------------	-------

* /Z02 Inflow(/102	77.07
* /Z90 Inflow(/190	77.07
* /Z91 Inflow(/191	77.07
* /Z92 Inflow(/192	77.07

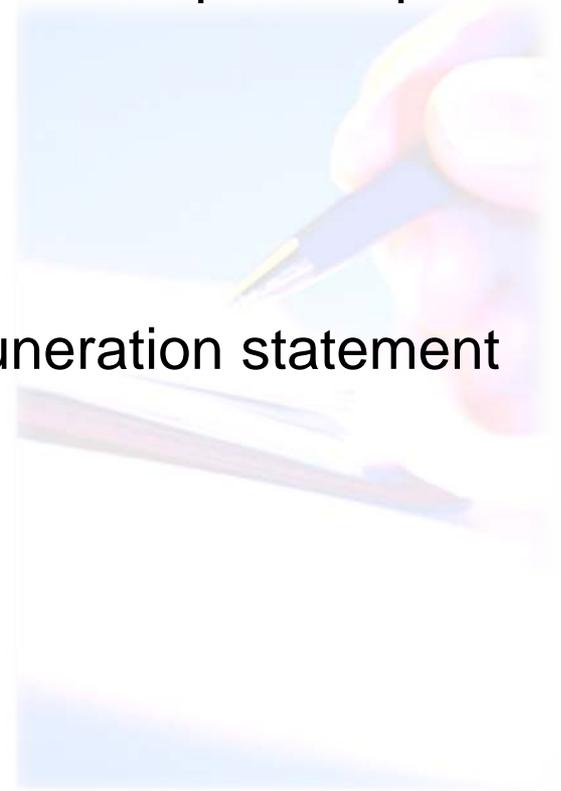
Active pay for period 12

Follow along as your instructor leads you through the steps

Purpose:

Once payroll processing is complete, use this process to view the Payroll Results for an employee with retroactive adjustments to their payroll.

1. True or False? The payroll simulation will transfer the results into the payroll run.
2. Which report is used to identify upcoming errors prior to pre payroll?
 - a. Payroll simulation
 - b. Payroll journal
 - c. Remuneration statement
3. True or False? You can display the remuneration statement from the payroll journal.



In this lesson you learned to:

- Execute the payroll simulation
- Execute the payroll journal
- Display the Remuneration Statement
- Read payroll results





Additional Processes

Lesson 7

Lesson 1: Payroll Overview

Lesson 2: Earnings

Lesson 3: Deductions

Lesson 4: Taxes

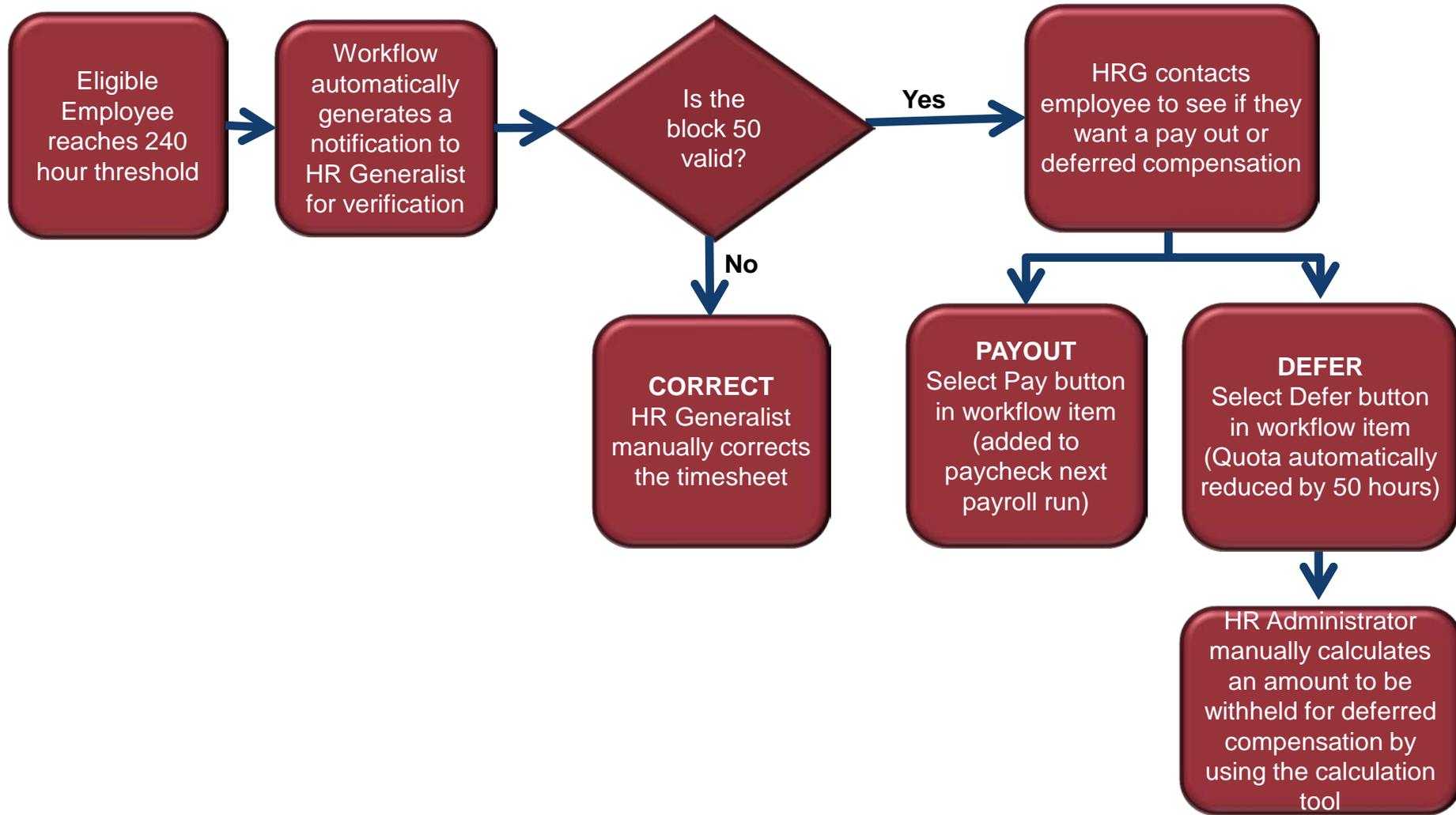
Lesson 5: Bank Details

Lesson 6: Reports

Lesson 7: Additional Processes

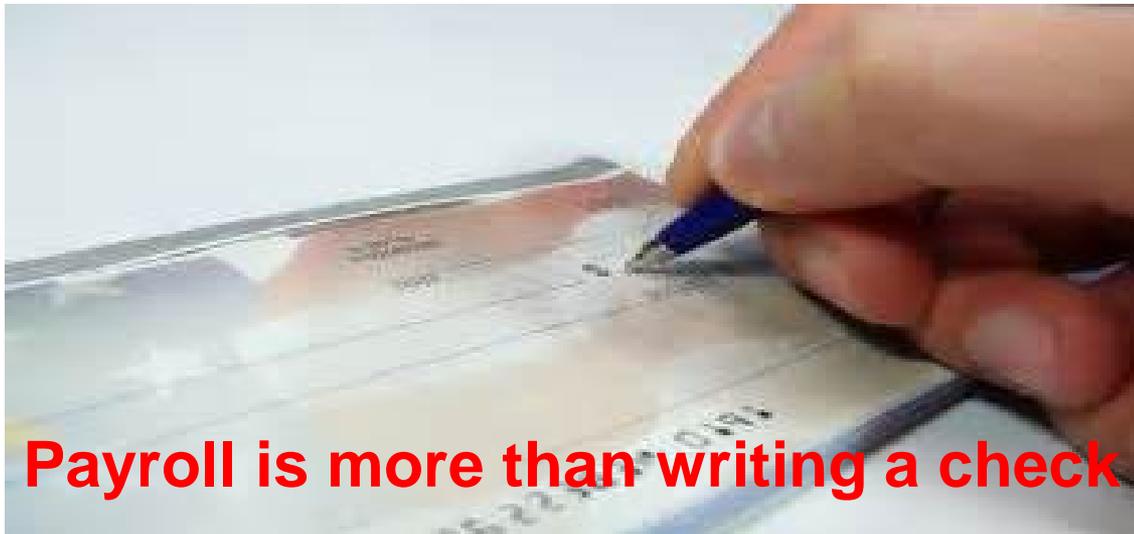
Wrap Up

Block 50 Process



Off-cycle payroll is run outside the regular payroll and is used for the following reasons:

- To pay an employee underpaid on regular payroll due to an error such as a mistake in time reporting or basic pay
- To pay an employee whose entire pay was missed on regular payroll (this is an “on demand” payment)



The off-cycle payroll is not intended for the following:

- To pay annual or compensatory termination pay routinely. Termination pay is now paid on the regular payroll, in the pay period in which the employee is separated from employment as long as the separation action has been approved.
- To pay Block 50s
- To pay special pays such as an ERA or Employee Suggestion System Award. These special pays should be made on the next regular payroll
- To pay expense allowance
- *Off-cycle payroll should be used to process payouts of annual and compensatory leave due to separation and block 50s if the employee is deferring*

Note: All of these payments should be made in the regular payroll.

How to complete and submit the off cycle request:

To submit an off cycle request, HR Administrators must complete a business request.

When completing the business request, select “I need support with”, drop down answer box “Payroll”, then it will say, “I need Payroll or Time Management support with”, drop down answer box, “Off-cycle Payroll Request”.

The business request will then show you this form to complete. Once complete, send the business request on to the Personnel Cabinet.

Check reversals should be done with caution. Do not reverse a check unless the employee has been grossly overpaid or paid in error.

- **If underpaid, additional pay can be processed without having to reverse the original check.**
- **If a reversal is requested, indicate the NET amount of the check to be reversed.**
- **Reversals can only be done during an Off Cycle.**



The Off-Cycle Request form does not initiate the reversal of an EFT (strip). To request the reversal of an EFT, please submit a business request.

Business Request Form

Please provide a short title to help you keep track of future communications *

Please enter your full name *

Phone Number *

Email address at which you want to be contacted? *

Manual KHRIS Adjustment

All Pre KHRIS adjustments need to be made through a manual adjustment form.

- Board Orders
- Retirement Corrections should this be Retirement Refunds

Most common KHRIS manual adjustment

- Board Orders

The form can be found at the Personnel Cabinet Website

- ALWAYS be sure to use the most current form
- Submit the completed form **WITHOUT** errors to PERS.adjustmentform@ky.gov

Naming

- We ask that you name the files as follows to avoid issues:
- **First Name _Last Name_MMDDYYYY** (first name, underscore, last name, underscore, payperiod beginning date for the document in month/day/4-digit year format)

Refunds of overpayment of Retirement contributions may be made for various reasons:

- Employee may have overpaid Installment Service Purchase – These must be processed via positive adjustment
- Employee may have worked less than 100 hours/month and not qualify for Retirement
- Employee may have been assigned the wrong plan and have paid too much

Please see Quick Reference Guides:

- Retirement Pretax/Post-Tax Installment Purchase Refund
- Pretax Retirement Refunds



Health Insurance, FSA, and Group Life

Group health insurance, FSA, and Group Life refunds and arrears will occur automatically.

- The HR Administrator or Insurance Coordinator should not enter any infotypes to create a refund or collect arrears.

For information regarding group health insurance, FSA, and group life refunds, please contact the Personnel Cabinet's Department of Employee Insurance (DEI).

- Returning employees on LNPA should contact DEI.



If a deferred compensation deduction was not stopped in time, you can refund the overpayment by delimiting the date on IT0014 for the contribution, and then doing an IT0015 to refund the money.

- See Quick Reference Guide “Deferred Comp Pre-tax Refund” for details

If a payout containing a deferred compensation rollover was in error or contained significant error, this could be an instance when it may be advisable to reverse the payment and reissue.

- If you are uncertain, please contact the Personnel Cabinet by submitting a Business Request.

Note: The HRG should contact Deferred Comp to make them aware of these situations if their office had not already contacted them

When an agency is notified of a returned EFT by the Personnel Cabinet due to a closed account or invalid account number

- The agency should correct the banking information on IT0009 or stop the incorrect EFT until the correct banking information is obtained and updated
- The agency will create a replacement check for the returned EFT amount via positive adjustment (SAS 27) for the net only
- The agency will be credited the returned funds via IET in eMARS from the Personnel Cabinet

Note: If the agency creates a replacement check before being credited via IET and the EFT return fails, the agency must recover the overpayment from the employee.

Local Income or Occupational Tax Refunds

Local income tax (LIT) refunds may be made by correcting the local tax information for the current calendar year and allowing retroactivity to refund the overpayment in the employee's next payroll check.

Please see Quick Reference Guides:

- Arrears Guidance
- Local Tax Refund : Resident
- Local Tax Refund: Work



The handling of Board/Court/Mediation Orders (order) is a multi-step process, both in and outside of KHRIS:

- When an order is received, the agency prepares PAN documents in accordance with the order
- The agency must let the Personnel Cabinet know that these PANs are related to an order
 - PERNRs must be set to not retro by the Personnel Cabinet
 - CAT2 should not be corrected
- The agency gathers all documentation required, prepares a positive adjustment form and forwards by email to the Personnel Cabinet for review and approval. Documentation must be scanned and emailed with the positive adjustment.
- After the manual adjustment form is processed, the values will be updated in KHRIS by the Personnel Cabinet
- Guidelines for back pay can be found on the Personnel Cabinet website.

Prior to payroll (pre payroll and final payroll) HRGs should check the following:

- Reports**
- Variants**
- Changed Records**
- Errors**

Checking these items can assist in ensuring a HRG will have a successful payroll



Prior to pre payroll, HRGs should:

- ✓ **Verify/correct any errors sent by the Personnel Cabinet**
- ✓ **Run payroll simulations (Ex retirement/tax changes, hardships)**
- ✓ **Review new employee actions**
- ✓ **Record LNPA absences for pay period if PAN hasn't been processed**
- ✓ **Run ZES001 (Ex. GAPS in dates, EFT and deductions) includes ESS**
- ✓ **Run PT_BAL00 variant 00_Time_Errors – No time keyed**
- ✓ **Run PT_ERL00 (to check for any time evaluation errors)**
- ✓ **Run PT_QTA10 (review WMAD causing overtime, negative comp balance)**
- ✓ **Check Work List**
- ✓ **Run S_L9C_94000095 Head Count Change report(Ex retirements, separations)**
- ✓ **Audit CATS_DA (review time entry)**
- ✓ **Review any hard copies (Ex. W4/K4 changes)**

After pre payroll runs HRGs should check the following:

- ✓ **Verify/correct any errors sent by the Personnel Cabinet**
- ✓ **Payroll Journal (Ex. employees pay, retirement change, deferrals)**
- ✓ **Run ZES001 (Ex. GAPS in dates, EFT and deductions) includes ESS**
- ✓ **Run PT_BAL00 (variant 00_Time_Errors) – No time keyed**
- ✓ **Run PT_ERL00 - time evaluation errors**
- ✓ **Run PT_QTA10 (Ex. WMAD causing overtime, negative comp balance)**
- ✓ **Complete the IT0416 for payouts without deferral and review with Payroll Simulation**
- ✓ **Approve Block 50s without deferral**
- ✓ **Check Work List**
- ✓ **Review any actions not reviewed during pre payroll**
- ✓ **Review Display Payroll Results**
 - ✓ **Payouts,**
 - ✓ **Block 50s,**
 - ✓ **Refunds(taxes/retirement/deductions)**

When an Off Cycle is sent HRGs should check the following:

- ✓ **Create the records to produce the correct results**
 - ✓ **create IT0416 or IT0015 when paying out employee annual/comp**
- ✓ **Complete any necessary corrections to the timesheet**
- ✓ **Process the appropriate action**
- ✓ **Complete the most recent Off Cycle form at the Personnel website**
- ✓ **On the Off Cycle request, indicate the result you are expecting.**
- ✓ **Enter the net amount of the reversal you are requesting.**
- ✓ **Send an email to your consultant for any EFT reversal (strip)**
- ✓ **Review Payroll Results to determine amount owed to employee**
- ✓ **Submit your off cycle as early as possible**
- ✓ **Off cycle request received late in the day may not be processed**



To manually calculate gross pay:

- Multiply all paid hours by the appropriate rate of pay
 - These hours may include premiums
 - 2nd Shift or 3rd Shift
 - Weekend
 - Multi-lingual

To manually calculate net pay:

- Calculate the correct percent of local tax (if any) on the gross
- Subtract retirement and pre tax deductions from the gross for the taxable base
 - Then calculate federal tax (FIT)
 - Then calculate the state tax (SIT)
 - Then calculate the social security/Medicare (FICA)
 - Deferred Comp. is not subject to FIT or SIT but is subject to FICA
- Subtract statutory and any optional deductions

Additional tax withholding resources:

- Fed. tax tables -“Publication 15” current year- www.irs.gov
- State tax tables-“KY withholding tax table” current year-revenue.ky.gov
- Local taxes can be calculated using the current withholding tax codes at <http://personnel.ky.gov/persadmin/hradministrators/LocalTaxInfo.htm>
- Kentucky Retirement System <https://kyret.ky.gov/>

Calculate the Gross and Net pay for PERNR 427 for the current pay period?

A/A...	Total	MO ...	TU ...	WE ...	TH ...	FR ...	SA ...	SU...	MO ...	TU ...	WE ...	TH ...	FR ...	SA ...	SU ...	MO ...
	88	8	8	8	8	8	0	0	8	8	8	8	8	0	0	8
	181.25	16	16	16	16	16	0	0	16	16	16	16	16	5.25	0	16
1REG	88	8	8	8	8	8			8	8	8	8	8			8
6ADL	5.25													5.25		
2NDH	40	8	8	8	8	8										
3RDH	48								8	8	8	8	8			8

0.00 hours worked Sunday prior to pay period
Second shift calculated using a 10% shift rate
Third shift calculated using a 15% shift rate

Calculating Net Pay

Description		Wage Type	Employee Amt.	State Amt.	Taxable	Total
Gross		/101	\$ 1,606.13	\$ 1,606.13		
Soc.Sec. @ EE 6.2%, ER 6.2%		/403	\$ 87.78	\$ 87.78	\$ 1,415.82	\$ 175.56
Medicare @ 1.45%		/405	\$ 20.53	\$ 20.53	\$ 1,415.82	\$ 41.06
Federal Tax	Fed Tax	FED	/401	\$ 40.00		\$ 40.00
State Tax	KY Tax	KY	/401	\$ 65.81		\$ 65.81
Local Tax	Local Tax	KY09	/451	\$ 27.10		\$ 27.10
Local Tax Authority		ky09	/453	\$ 6.02		\$ 6.02
Local Tax Authority		Ky20	/451	\$ 7.83		\$ 7.83
Local Tax Authority						\$ -
Total Local Tax from "Xtra Local Tax" sheet			\$ -			\$ -
Total Retirement from "Retirement" sheet			\$ 80.31	\$ 430.28	\$ 1,606.13	\$ 80.31
Retirement Installment Purchase						\$ -
Health Insurance		A003	\$ 110.00			\$ 110.00
Admin. Fee (Shortfall)						\$ -
FSA Medical						\$ -
FSA Dependent						\$ -
State Paid Life Ins.						\$ -
Deferred Comp/Annuities						
Misc.	KECU	5029	\$ 100.00			
Misc.	Delta Dental 1st	5511	\$ 20.00			
Misc.	Cent.United/Liberty Mutual	5531/5811	\$ 25.00			
Misc.						
Misc.						\$ 145.00
NET PAY			\$ 1,015.75	\$ 2,144.72	TOTAL DISBURSEMENT AMT	



Wrap-up

Lesson 1: Payroll Overview

Lesson 2: Earnings

Lesson 3: Deductions

Lesson 4: Taxes

Lesson 5: Bank Details

Lesson 6: Reports

Lesson 7: Additional Processes

Wrap Up

Your feedback is invaluable to the success of KHRIS



Used to review payroll results before the actual payroll run.	Residence tax is paid no matter where you live.	These are used to create and maintain garnishments.
You must pay work tax if the city you live in has that tax.	Causes a previous payroll to recalculate.	Infotype 0210 maintains this information.
An IRS Letter requires an employee to have a maximum number of exemptions.	This allows you to view an employee's current and year to date pay.	This report displays results after payroll has been run.

Participants should now be able to:

- Explain the concepts of KHRIS payroll and provide an overview
- Display and maintain essential master data used in payroll processing
- Describe types of earnings in KHRIS and their associated Wage and Info Types
- Describe types of deductions in KHRIS and their associated Wage and Info Types
- Describe tax administration in KHRIS and maintain residence tax and work tax data for employees
- Maintain employee bank details
- Run and read payroll reports in KHRIS
- Describe and execute additional processes in KHRIS

Questions and Answers



- Review course materials
- Access HR Administrators Web site
- Access the KHRIS Web site
- Complete any necessary online training (for example, ESS/MSS eLearning)
- Watch for ongoing KHRIS communications and training updates



Need Assistance

For assistance with KHRIS, go to <https://hr.personnel.ky.gov> and follow the instructions from the quick reference guide given in class.

