Payroll EOY

This manual will guide you through the Payroll/HR End of Year process in MCSJ. It will cover the steps required to begin processing the 1st Payroll of the new year and discuss the rollover of time balances to the new attendance year. Additionally, this manual contains EOY guidance for using the attendance scheduling functionality in MCSJ.

Prior to rolling the MCSJ Payroll system to the new year, please review the checklist below:

- Complete the last payroll of the current year and make sure no more checks need to be issued for the current year.
- Make sure your Payroll taxes are updated for the new year. EGT will provide e-mail notification and instructions when tax tables are available for download. This can be done after the rollover, but no checks can be printed for the new year until the Payroll taxes have been updated.
- If Finance operates on a Calendar year, update all outstanding Payroll Budget Distribution batches to the Finance module before the Finance EOY Routine is run.
- Review the EOY flag on deductions/earnings.
- Make sure you have a back-up of MCSJ data.

> 📝 Note - All prior year reports may be reproduced after the system rollover.

Handling Deduction/Earning Codes With Balances

Before rolling the Payroll system, deduction and earning code EOY flag settings should be reviewed for each code with maximum amounts. The **EOY** field in Deduction/Earning Code Maintenance tells the system how to handle each code during the Payroll End of Year Routine. Loans and other deduction/earning codes with maximum amounts need to be set so that the system can determine what the correct opening balance should be for the new year.

The codes can be globally edited in Deduction/Earning Code Maintenance to ensure that the code is set the same way for each employee. If for some reason the code needs to be handled differently on an employee by employee basis, the code can be changed for individual employees in the Employee Maintenance screen.

Global Edit - Changing EOY flag on Deduction/Earning for All Employees

Personnel > Payroll > Maintenances > Deduction/Earning Code Maintenance

Select a deduction or earning and then click the **Global Edit** button.

Click on the **EOY** combo box.

No Max - Select this option if the deduction or earning never has a max amount.

Recalc Max - Select this option if the deduction or earning will have a total max amount that exists for a lifetime. The EOY routine will reduce an employee's max amount for the deduction or earning each year by the YTD totals for the previous year. This option should be selected for deduction codes used for the repayment of loans or for earnings used to pay an employee a set amount of retro pay.

No Recalc - Select this option if the deduction or earning has the same max amount each year.

Click **Global Save**.

Changing EOY flag on Deduction/Earning for Individual Employees

In some cases, a code may need to be handled differently for individual employees. In this case, the deduction/earning code EOY flag must be changed on the *Deduction/Earnings* screen of Employee Maintenance.

Highlight the appropriate deduction/earning line and click **Edit**. Change the **EOY** field and click **Save** when finished.

Payroll End of Year Routine

This routine will create the new payroll year. Prior to running the routine:

- Complete the last payroll of the current year and make sure no more checks need to be issued for the current year.
- Make sure your Payroll taxes are updated for the new year. This can be done after the rollover, but no checks can be printed for the new year until the Payroll taxes have been updated.
- If Finance operates on a Calendar year, update all outstanding Payroll Budget Distribution batches to the Finance module before the Finance EOY Routine is run.
- Review the EOY flag on deductions/earnings.
- Make sure you have a back-up of MCSJ data.

System Utilities > Personnel End of Year > Payroll End of Year Routine

> Note - All users must exit the system before running this routine. The MCSJ server application will automatically be re-started.

Click **Next** to run the routine.

Before 1st Payroll in New Year

- Update tax tables and manually change any tax rates that were not updated. EGT will provide e-mail notification and instructions when tax tables are available for download. Confirm all of the new year tax rates before starting the 1st payroll of the new year!
- If salary and rate changes will be in effect for the 1st payroll, run the Pay Adjustment Routine or make the salary/rate changes manually.
- Global Edit any default deduction amounts/percentages which may be changing in Deduction/Earning Code Maintenance.
- Decide whether to roll time balances based on the information below.

Rolling Time Balances (Sick,Vac,etc.)

Users must run the Automated Carryover/Accrual Routine <u>following the last payroll containing prior year used time</u>. Depending on your pay periods and/or organization's policies, <u>this may be after the 1st payroll of the new year</u>. Until this routine is run, employee used time will continue to reflect time used for the prior year.

> Note - If the Automated Carryover/Accrual Routine will be run after the 1st check run in the new year, employee time balances can be excluded from payroll checks by changing the Payroll Check Format to Exclude Accrued Hours. This can be done in System Utilities > Personnel Parameter Maintenance on the Payroll > Checks tab.

If the Automated Carryover/Accrual Routine is not run prior to processing the 1st payroll of the new year, users will notice a special date prompt when printing payroll checks.

The **Accrued/Used Date** will tell the system which attendance year any accrued or used time processed during this payroll should count against. For example, if the date is changed to 12/31/XX, then any sick/vacation time used on this payroll run will count against the prior year used time.

> 📝 Note - HR Attendance Import users have the option of associating any used or accrued time with attendance transaction dates. To do this, the 'Use Att Date For Payroll Check Hours' box must be selected in the Personnel Parameter Maintenance. When this option is utilized, the Print Checks Accrued/Used Date would only be applicable to any accrued or used time not associated with an attendance transaction.

Automated Carryover/Accrual Routine

This routine will roll available time balances and establish new year accrual balances for all employees with an Accrual/Carryover Id. It will also change the Used Begin and End Date range in the Personnel Parameter Maintenance to the new attendance year.
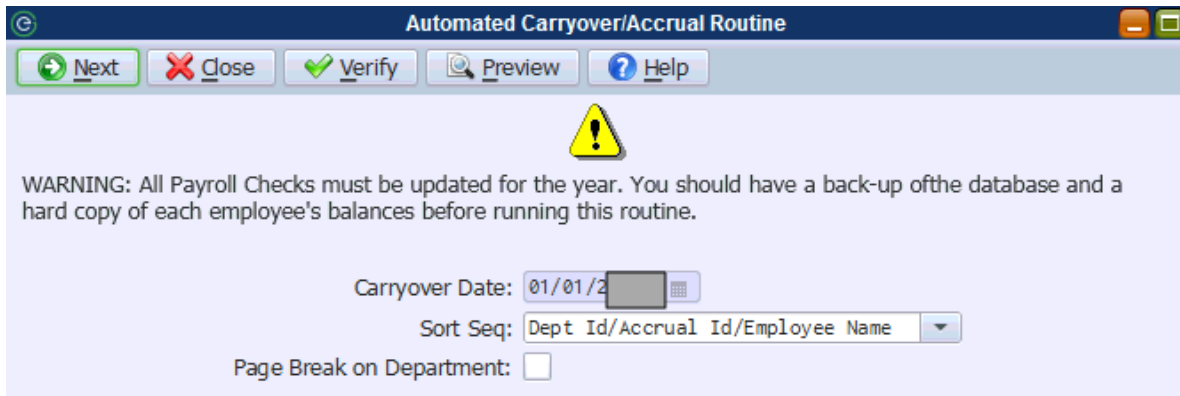
HR Segregated and HR Only users should run this routine after all attendance has been entered for the current attendance year.

Payroll Only and HR Integrated w/ PR users should not run this routine until after all prior year attendance has been processed on a payroll check. Depending on your pay periods, this could include the 1st payroll of the new year.

Employees without an Accrual/Carryover Id will not be included in the routine. After the routine, their carryover balance will reflect their prior year ending balance. YTD Accrued will become zero and Hrs Per Pay will remain as is.

The Personnel module must be locked to update this routine. However, the routine may be previewed prior to locking users out of the module.

System Utilities > Personnel End of Year > Automated Accrual/Carryover Routine.

Carryover Date - This field is not editable. It will default to the day after the attendance year End Date stored in Personnel Parameter Maintenance.

Choose a sort sequence for the preview and verification reports.

Preview - Clicking this button will produce a preview report displaying how each employee's available time will be handled during the rollover and how much time they will accrue for the new attendance year. The report will also display any employees without an Accrual/Carryover Id and any employees with warnings. This report should be reviewed thoroughly before updating the routine.

Verify - The verification listing MUST be printed in order to update the routine. The verification listing is identical to the preview report. In order to print the report, the Personnel module MUST be locked.

> Note - If you have already reviewed and printed the Preview report, the verification listing can be printed to file in order to avoid having to print it to paper.

Click *Next* to run the routine.

> 📝 Note - A reference number will be displayed when this routine is finished. This number can be used to reverse the results of this routine. HR Integrated w/ PR and PR Only users can use the Reverse Accrual/Carryover Routine (located in Special Routines program). HR Segregated and HR Only users can use the Delete Attendance by Ref Num Routine (also located in Special Routines program).

Roll Pay Periods

If your organization has defined pay periods in the Pay Period Maintenance, you will need to roll each unique Pay Period Id to the new year. This routine may be <u>run before or after Payroll is rolled</u> to the new year. If applicable, it should be <u>run prior to creating new year schedules</u>.

Personnel > Maintenances > Pay Period Maintenance.

Select a Pay Period Id and click the **Create New Year Periods** button. Enter the appropriate information when prompted and click Ok. Do this for each Pay Period Id.

H/R Schedule Users - EOY Steps

If your organization uses the MCSJ Attendance scheduling features, a few steps are required in order to begin processing attendance transactions for the new attendance year. The following steps can be completed at any time, but are typically performed as the new attendance year approaches and time needs to be entered for the first payroll period in the new year.

- Complete Holidays Maintenance for the new year.
- Run Master Schedule Rollover
- Create Employee Schedules

Holiday Maintenance

The Holiday Maintenance is used to identify an organization's observed holidays for a calendar year. By identifying holiday dates, work schedules can be generated with the appropriate holidays already recorded.

System Utilities > Holidays Maintenance.

Add - Click to enter holiday dates for a new year. Enter all business days on which your organization is scheduled to be closed.

Click **Save**.

Master Schedule Rollover

This routine will create master schedules for the new year.

Personnel > H/R > Attendance > Master Schedule Rollover.

Follow the instructions on the screen and run the routine by clicking **Next**.

> Note - If using Pay Period Maintenance, pay periods should have already been generated for the new year.

Create Employee Schedules From Master Schedule

This routine will create individual Employee Schedules based on the existing Master schedules. Before running this routine, Schedule Id's must be assigned to all employees that need to have a schedule created.

> Note - Changes to the Master Schedule should be made prior to creating Employee Schedules. If a change is made to the Master Schedule after the Employee Schedules are created, the Employee Schedules must be re-created to pick up any changes. This will wipe out any previous adjustments, including planned and actual attendance, to the Employee Schedules.

Personnel > H/R > Attendance > Create Employee Schedules From Master Schedule.

Schedule Id - Enter the range of schedule(s) to create. Leave blank for all.

Year - Enter the calendar year (NEW YEAR) for which to create the Employee Schedules. For each Pay Period Id, specify the **Period Begin Date** of the 1st payroll in the new year. If the date is in the prior year, the system will use the master schedules from both years to create the schedules. If you do not want to use the prior year master schedule, then simply put the 1st day of the new year.

Replace Existing Draft Transactions - If checked, the system will overwrite any previously entered Draft transactions during the schedule period. Uncheck the box if employees may have already manually entered time for part of the time period being scheduled and you want to preserve those transactions.

Click **Next** to run the routine. When the routine is complete, Employee Time Sheets will reflect the employee schedules.