## ADMINISTRATION AND FINANCE GUIDING PRINCIPLES

**W**ELL-BEING and SUSTAINABILITY

**I**NNOVATION and DISCOVERY

**S**ERVICE EXCELLENCE and

**ACCOUNTABILITY** 

**E**QUITY and JUSTICE

**R**ESPECT and INTEGRITY





## ADMINISTRATION AND FINANCE GUIDING PRINCIPLES

WELL-BEING and SUSTAINABILITY
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RESPECT and INTEGRITY

## **Payroll Reps Meeting**

Thursday, May 25, 2023

9am-10:30am



#### Agenda

- Leave Validation (MAS)
- SPAC-Costing and Compliance (SPAC-CC)
  - FY24 Fringe Benefit Rates
  - Direct Retro Deadlines
  - Grad Assistants and Students: Summer FICA fringe benefit status
- Office Of The Controller- Payroll Services (OOTC-PS)
  - Combination Code Table Page
  - Payroll Process- Final call
  - EFP Rollover FY24
  - 23-26 and 24-01 Actuals Distribution & Encumbrances



#### **Management Advisory Services (MAS)**

Jennifer Thompson, Director

Elaine Portnoy, Manager

MAS-Help@umaryland.edu



#### **Leave Adjustment Validation Process**

#### Revised Departmental Leave Adjustment Validation Process:

- To address recent Legislative Audit Finding
- Easily identify manual leave adjustments
- Replace reviewing time sensitive reports
- Instruction sheet of Validation Process

#### Leave Adjustment Report:

- Query "UMB\_PR\_ADJUSTED\_LV\_BY\_DATES"
  - Run leave adjustment by pay period or specific period
  - Lists only manual leave adjustments

#### Review/Documentation:

- Print report to PDF
- Review and validate manual leave adjustments; notify Payroll Services of any issues or discrepancies
- Sign and date report
- Save/maintain signed and dated report for future reference



### SPAC-CC



## FY24 FRINGE BENEFIT RATES

&

DIRECT RETROS (DR)



### **FY 24 Fringe Rates**

- The FY24 fringe rates will be applied to the entire first pay period in FY24
  - PP24-01 (6/18/23 to 7/01/23)
- The fringe for PP24-01 will be posted as follows
  - 06/18/23 to 06/30/23 Posted to FY23
  - 07/01/23 to 07/01/23 Posted to FY24



### **FY24 Fringe Rates Summary Chart**

Pay Period	Rate Used	Posted in FY
23-26	FY23	2023
24-01	FY24	2023 (6/18/23-6/30/23) 2024 (7/1/23-7/1/23)
24-02	FY24	2024



#### **FY24 Retroactive Distributions**

- The direct retro cut off date for the 23-26 pay period is Friday, 6/16/23 by close of business (COB)
  - Note that this is different from the usual Tuesday prior to the payday deadline to allow Costing and Compliance enough time to process the anticipated fiscal year end increased volume.
- DEADLINE for Budget Retros to be posted in FY23 is Tuesday, 6/20/23 by 8PM (they must be fully approved in HRMS)
- All Direct Retros received on Wednesday 6/21/23 and forward will be posted to FY24

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#### **Direct Retro Cut Off Dates**

When Received by Cost Analysis	Pay Period Processed	Posted in FY (HRMS and Financials)
Tuesday, 06/06/23 @ 2pm	23-25	2023
Friday, 06/16/2023 @ COB	23-26	2023
Tuesday, 06/20/23 @ 8pm (for Budget Retros)	23-26	2023
Wednesday, 06/21/23 and beyond	24-01	2024



### **DR Processing - Reminders**

- Physician Services Contracts Exception:
  - No Direct Retros moving payroll to or from a PSC account in FY23 will be processed after the FY23 DR deadline on Friday 6/16/2023
- A direct retro and a budget retro cannot be processed in same pay period

## Plan accordingly!!!



#### **DR Processing – Reminders Continued**

- Please remind your Pls to sign your online direct retros after submission:
  - Verify that they have signed the DR
  - DRs are not received or processed by SPAC-CC if not approved by



## Summer Students FICA Exemption

- Students and Graduate Assistants are exempt from payroll tax and fringe.
- During summer
  - Subject from: 06/04/23 (PP23-26) at Legislated benefit rate of 8.0% for FY24
  - Revert to Exempt from: 08/27/2023 (PP24-06)
- Students who are exempt in the summer will have manual entry to reverse the posted fringe during this period

## **Questions or Comments for Costing and Compliance**





# OFFICE OF THE CONTROLLER- PAYROLL SERVICES (OOTC- PS)



## Combination Code Table page



- Cosmetic change to show the Project related data on the right to eliminate scrolling down the page
- Purpose of this page:
  - Update Project Status, Project Dates and Project-SOAPF and show it in this page
  - You can rely on this page to verify information

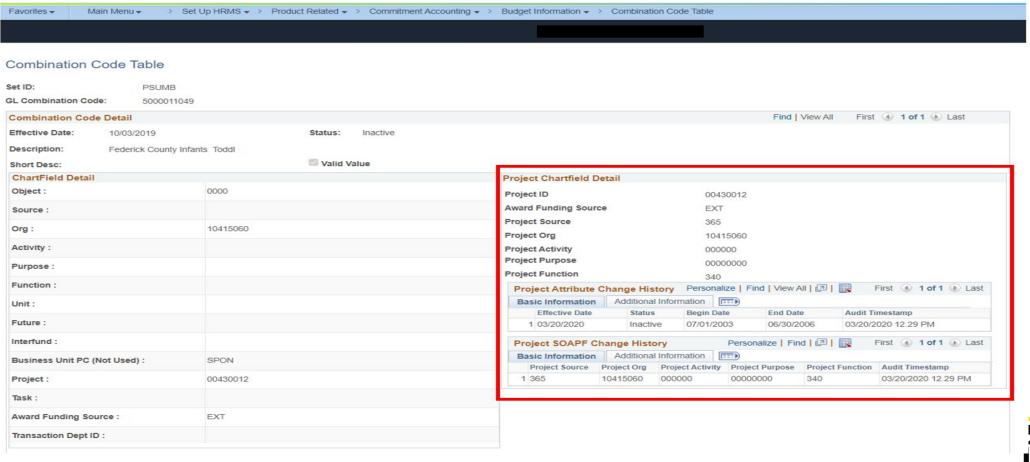


- Report to Quantum FN/SPAC team
  - If SOAPF is missing
  - Project dates are not correct
  - Project status is not correct
- When the issue is resolved and data updated, it will resolve on the eUMB HRMS side when the data feed comes through



- Daily feed of all SOAPF that can be used for payroll expenses (EFPs) from Quantum FN to eUMB HRMS
- Daily feed for Project/Award Funding source from Quantum FN to eUMB HRMS
- If the SOAPF/P-F combination is not in eUMB HRMS, a new Combination Code (Combo Code) is created in eUMB HRMS
- If the SOAPF is not received, the Combo Code is inactivated





## Payroll process- Final Call



## **Payroll Process- Final Call**

- UMB gross pay file:
  - During normal payroll processing week, we must send UMB gross pay file to CPB by Friday
  - Starting next pay period all final payroll corrections are due by noon
    - Make sure you check your final CCR after receiving our final call email
    - Contact our office immediately if any corrections are needed

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## EFPS & DISTRIBUTIONS & THE FY24 ROLLOVER



#### FY24 EFP Rollover

- The process where we take the last EFP used for actuals distribution in FY23 and copy it to FY24
- Will occur after 8PM on Tuesday, 6/20/23
- After the rollover is done, EFPs for FY23 cannot be changed **Note:** If your new hires are not in eUMB in time for you to create a new EFP on 6/20, you will need to do a DR to move out the charges from the PCA



#### Fix EFP – Salaried EEs

- AFY, ASY, and EFY paygroups- "Fix" EFPs will NOT be created
- All retro earnings with effective dates prior to 7/1/23 that are paid in PPs 24-02 through 24-26 will be charged to the Department Payroll Clearing Account (PCA)
- Departments are required to submit Direct Retros (DRs) to redistribute prior year earnings paid in FY24



#### Fix EFP – Non-Salaried EEs

- NFY, HRL, and SPC paygroups- "Fix" EFPs will be created temporarily
  - Effective date of the Fix EFP will be either the first day of PP#23
     (4/23/23), employee's hire date, or date transferred to
     department, whichever is latest
- The Fix EFPs are created to allow for timesheet entry that can go back 4 pay periods (PPs #23-26)
- The Fix EFPs will be deleted after 4 pay periods in FY24 since timesheets can only go back 4 pay periods (i.e. deleted on Sunday, 9/3/23)

#### Fix EFP - Non-Salaried EEs

- If there are multiple EFPs for an employee in FY23 between 4/23/23 and 6/30/23, the prior year retro earnings paid PP24-02 through 24-04 will only be done based on the last FY23 EFP
  - Corrections must be done via Direct retro (DR)
- Prior year retro earnings paid beginning PP24-05 through 24-26 will be charged to the PCA
  - Departments are required to submit DRs to redistribute prior year expenses paid in FY24

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#### **FY24 EFP Cut Off Date**

- Tuesday- 6/20/23: All EFPs for FY23 must be approved in eUMB before 8pm
  - EFPs entered but not approved by the deadline will be deleted
- No budget retros for FY23 after 6/20/23, 8pm



## PP23-26 (6/4-6/17/23) Distribution

- Wednesday-6/21/23: Actuals Distribution process is run for PP23-26 with no encumbrances
- Thursday-6/22/23: Validate that payroll expenses were distributed correctly using HRMS Payroll Charges Detail (PCD)
- Friday-6/23/23: Validate that payroll expenses were distributed correctly using Quantum Analytics- HRMS Payroll

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# WHAT TO DO BEFORE THE FY24 EFP ROLLOVER

From today until 8pm on Tuesday, 6/20/23



- Make sure <u>all</u> employees have a FY23 EFP
  - Run Funding Summary Report and/or
  - Run query UMB\_CA\_NO\_EFP
- Administrative depts tend to forget to set up EFPs for new employees- means more work at budget time!



- Review all funding sources that end 6/30/23 or earlier and determine redistributions
  - Use EFP Query or Funding Summary Report
- Complete redistributions by entering & approving new EFP for a Budget Retro
  - Approve new EFP by 8pm on Tuesday, 6/6/23 for PP23-25
  - Approve new EFP by 8pm on Tuesday, 6/20/23 for PP23-26 and PP24-01 distribution (6/18/23-7/1/23)

- Check ALL Funding End Dates (FED) on EFPs:
  - No FED ⇒ no change required
  - •FED >  $6/30/23 \Rightarrow$  no change required
  - •FED < 6/30/23 ⇒ change now so that payroll expenses do not charge PCA
  - •FED =  $6/30/23 \Rightarrow$  OK to change now; must be changed in FY24 to avoid charging PCA

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- Funding End Dates on EFPs:
  - •For sponsored projects, the funding end date is required and it can be extended to the lesser of the project end date or 6/30/28 (current FY + 5 years)
  - •For all other funding sources, an end date is not required or recommended but if entered it cannot be greater than the end of the current fiscal year

# **Before** the FY24 EFP Rollover

- Check for EFPs that cite PCA:
  - •Run Query UMB\_CA\_EFP\_BY\_COMBO\_CODE
    - Enter Department PCA for Combo Code
  - •If EFP is found where PCA is cited, consider changing it



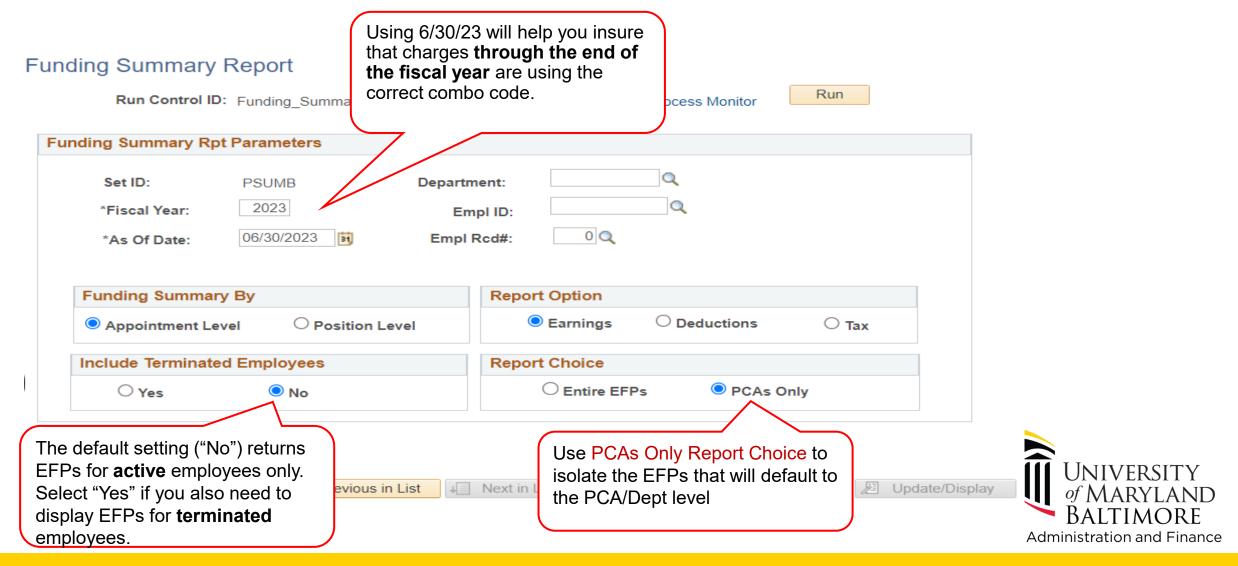
# **Before** the FY24 EFP Rollover

Run Funding Summary Report using an "as of" date of 6/30/23 and select the "PCAs Only" report choice. Only the following will be returned:

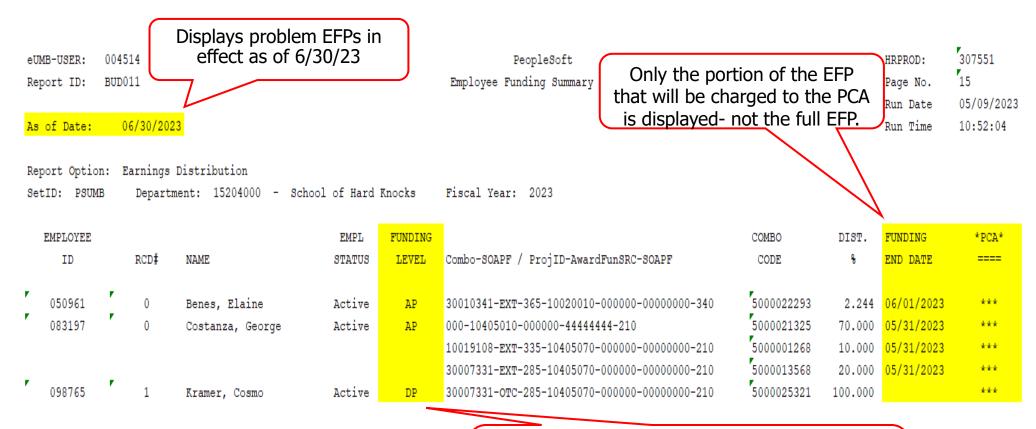
- 1.Lines marked as 'DP' (i.e. No EFP)
- 2.Lines with Funding End Dates of 6/30/23 or earlier (i.e. Expiring EFP)



# Setting Up Funding Summary Report: Checking EFPs Before 23-26 Distribution



# Reviewing Funding Summary Report: Checking EFPs Before 23-26 Distribution



Total Number of Employees Processed: - 5

AP= Appointment Level Profile (EFP is in eUMB);
DP= Department Level Profile (EFP is NOT in eUMB and payroll-related expenses will be charged to departmental PCA!)



# FY24 EFP Rollover (after 8pm on Tuesday, 6/20/23)



#### **FY24 Rollover**

#### The last FY23 EFP will be used to programmatically:

- Create the Initial 7/1/23 EFP
- Create the "fix" EFP <u>ONLY</u> for employees in paygroups <u>NFY/HRLY/SPC</u>
- No fix EFP for employees in paygroups AFY/ASY/EFY



## **FY24 Rollover**

#### The "fix" EFP (NFY/HRLY/SPC Only):

- Will have a Funding Begin Date of 4/23/23, employee's hire date, or date transferred to department -- whichever is latest
- Used to distribute FY23 payroll expenses associated with pay earnings dates from 4/23/23-6/30/23 paid in PP24-02 through 24-04 (ex. Shift, OVT, hourly employees)
- Cannot be created if an employee has no FY23 EFP by 6/20/23
  - Prior fiscal year retro pay (<7/1/23) will be charged to PCA and the department must submit a DR to move expenses



## **FY24 Rollover**

- EFPs will programmatically be created for both active employees and employees who were terminated after 1/1
  - No action is required on your part for terminated employees



# What to do after the Rollover & Before PP24-01 Actuals Distribution

From Wednesday, 6/21/23 through Monday, 7/3/23 at 8PM



# **Before PP24-01 Actuals Distribution**

- Make sure <u>all</u> active employees have a <u>valid</u> 7/1/23 EFP
  - Review 7/1/23 EFP to be sure it is valid (check combo codes, funding end dates, % distributions)
  - Create a <u>valid</u> 7/1/23 EFP if it is not there
- 6/21/23 at 6AM 7/3/23 at 8PM:
  - Departments review and create additional 7/1/23 EFPs as needed to reflect valid combo codes, funding end dates, % distributions



## **Checking FY24 EFPs Before 24-01 Distribution**

Run Funding Summary Report using an "as of" date of 7/1/23 and select the "PCAs Only" report choice. Only the following will be returned:

- 1.Lines marked as 'DP' (i.e. No EFP)
- 2.Lines with Funding End Dates of 7/1/23 or earlier (i.e. Expiring EFP)

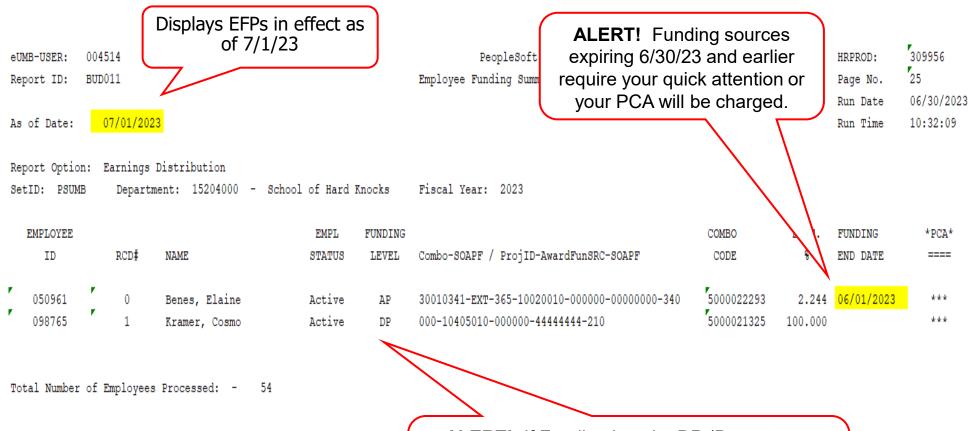


# Setting Up Funding Summary Report: (thru 7/3/23) Checking FY24 EFPs Before 24-01 Distribution

ranang caninary report			EFPs in e	This report displays the "problem" EFPs in effect "as of" the last day of PP 24-01.			
Fu	unding Summary Rpt		OTT 24	01.	bnitor		
	Set ID:  *Fiscal Year:  *As Of Date:	PSUMB 2024 07/01/2023	Em	Department:  Empl ID:  Empl Rcd#:  0			
	Funding Summary By  O Appointment Level O Position Level			Report Option  © Earnings	O Deductions	Отах	
	Include Terminated Employees  O Yes  No			Report Choice  © Entire EFPs  © PCAs Only			
The default setting ("No") returns EFPs for <b>active</b> employees only. Select "Yes" if you also need to display EFPs for <b>terminated</b>			Use PCAs Only Report Choice to isolate the EFPs that will default to the PCA/Dept level				



# Reviewing Funding Summary Report: (thru 7/3/23) Checking FY24 EFPs Before 24-01 Distribution



ALERT! If Funding Level = DP (Department Level Profile), employee DOES NOT HAVE EFP in eUMB. Payroll-related expenses will be charged to the departmental PCA!



# FY24 Redirect EFPs To PCA Process

On Monday, 7/3/23 after 8pm



#### **FY24 Redirect EFP Process**

- If the FY24 EFP has a funding end date of 6/30/23 or earlier, on Monday, July 3<sup>rd</sup> after 8pm, the EFP will be changed by the system
- A process will run to replace any combo code with an expired funding end date with your department default combo code- AKA your PCA- with funding end date of 7/1/23



# **EFP Redirect Example**

Funding Funding Source Source End Date Percent

10%

5%

20%

30%

25%

10%

100%

The initial FY24 EFP created effective 7/1/23 with combo codes expiring before 7/1/23 was not fixed before 7/3/23 at 8pm

FY24 EFP on 7/3/23

State blank
Revolving blank

Grant#1 5/31/2023
Grant#2 6/30/2023
Grant#3 7/31/2023

Grant#4

A redirect process will run on Monday, 7/3/23 to remove combo codes with funding end dates prior to 7/1/23 and add the PCA/Dept Default combo code equal to the percent of combo codes removed.

#### FY24 EFP on 7/5/23

State	blank	10%
Revolving	blank	5%
Grant#3	7/31/2023	25%
Grant#4	8/31/2023	10%
PCA	7/1/2023	50%
	•	100%

8/31/2023



## PP24-01 Actuals Distribution & Encumbrances

On Wednesday, 7/5/23



# PP24-01 (6/18-7/1/23) Distribution

- Wednesday-7/5: Actuals Distribution process is run for PP24-01 with encumbrances calculated from 7/2/23 forward
- Thursday-7/6: Validate that payroll expenses were distributed correctly using <u>PCD</u> in HRMS
- Friday-7/7: Validate that payroll expenses were distributed correctly using <u>HRMS Payroll</u> in Quantum Analytics

## **PP24-01 Actuals Distribution**

- Two Week period = 6/18/23-7/1/23
- Using FY24 Fringe Benefit Rates for entire PP24-01 (6/18/23-7/1/23)
- For PCD reporting purposes, we refer to period of 6/18-6/30 as PP23-27 (AKA the payroll accrual) and 7/1 as PP24-01
- For Quantum Analytics- HRMS Payroll reporting purposes, we refer to the entire pay period as 24-01 and use the Fiscal Year field to segregate 6/18/23-6/30/23 from 7/1/23-7/1/23

## **PP24-01 Actuals Distribution**

- PP24-01 covers payroll expenses associated with both FY23 and FY24- when the actuals distribution is run:
  - FY23 payroll expenses (based on pay earnings dates) will be distributed based on the FY23 EFP(s) in effect for 6/18/23-6/30/23
  - FY24 payroll expenses (based on pay earnings dates) will be distributed based on the 7/1/23 EFP in effect

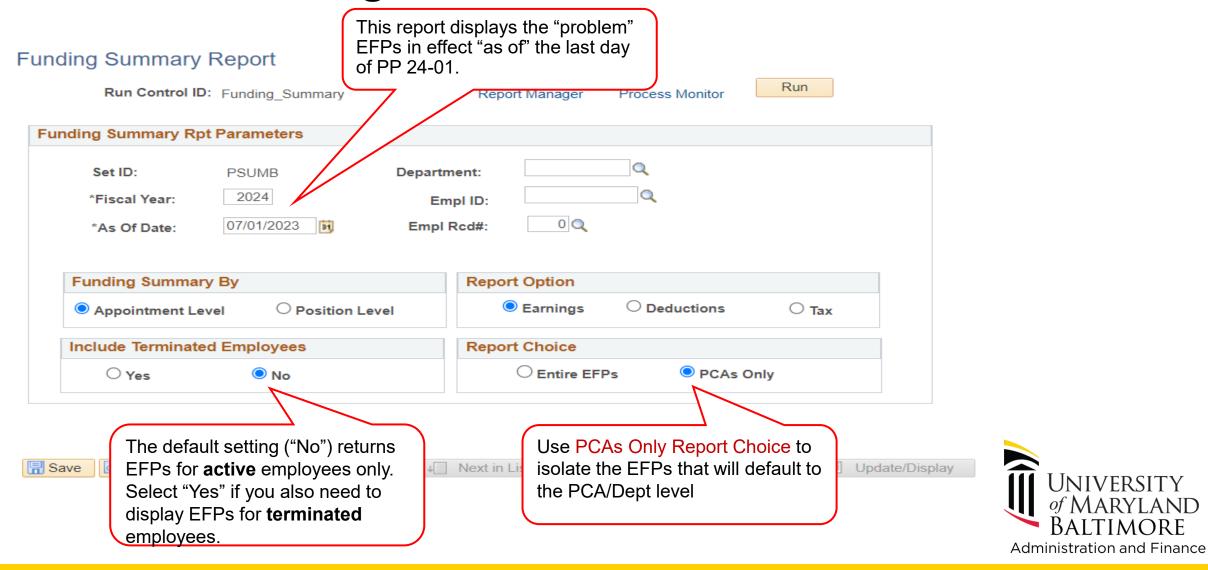


## **PP24-01 Actuals Distribution**

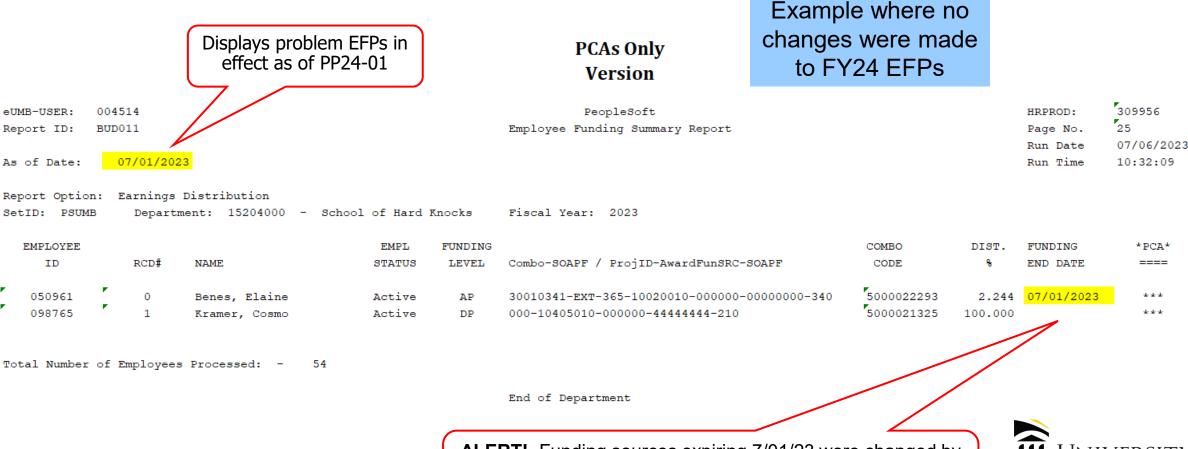
- When a valid EFP is <u>not</u> set up before the 24-01 actuals distribution process is run:
  - Payroll expenses associated with earnings dates greater than the Funding End Dates on your EFPs will be distributed to your PCA
  - You will need to do a budget retro
  - You will have LARGE encumbrance balances on your PCA



# Setting Up Funding Summary Report: (starting 7/6/23) Checking FY24 EFPs Used 24-01 Distribution



# Reviewing Funding Summary Report: (starting 7/6/23) Checking FY24 EFPs Used 24-01 Distribution



**ALERT!** Funding sources expiring 7/01/23 were changed by the redirect process to charge your PCA



# **Key Dates Summary**

Action	Due/Action Dates 2023		
Units: Submit Direct Retros for FY23 (PP23-26)	Friday, June 16th COB		
Units: Last chance to create any FY23 EFPs	Tuesday, June 20th - 8pm		
System: EFP Rollover: Copy forward FY23 EFPs to create FY24 7/1/23 EFP and "Fix" EFP (NFY, HRL, & SPC Only)	Tuesday, June 20th after 8pm		
System: PP23-26 Actuals Distributions	Wednesday, June 21st		
<u>Units:</u> Review FY24 EFPs generated from the copy forward process and determine if new FY24 EFPs should be created	Wednesday, June 21st - Monday, July 3rd by 8pm		
Units: Submit Direct Retros for FY23 portion of PP24- 01 to post in FY23. Any Direct Retros received on or after 6/29/23 will be posted in FY24	Thursday, June 29th COB		
System: EFP Redirect process	Monday, July 3rd after 8pm		
System: PP24-01 Actuals Distribution with FY24 Fringe Benefit Rates and FY24 encumbrance	Wednesday, July 5 <sup>th</sup>		
System: Delete FIX EFPs for NFYs, HRLs, and SPCs	Sunday, Sept 6 <sup>th</sup>		



# **Tools for Checking EFPs**

- Use Funding Summary Report
  - Main Menu>Set Up HRMS> Product Related> Commitment Accounting> Reports> Funding Summary USA
- Use queries (recommend using pivot tables with download to Excel)
  - Main Menu> Reporting Tools> Query> Query Viewer
    - UMB\_CA\_EFP\_BY\_EMPL\_ID (one employee)
    - UMB\_CA\_EFP\_BY\_EMPL\_ID\_CURR\_SAL (current salary)
    - UMB\_CA\_EFP\_BY\_DEPT\_ID (all employees)
    - UMB\_CA\_EFP\_BY\_DEPT\_ID\_CURR\_SAL (current salary)
    - UMB CA NO EFP (for missing EFPs)
    - UMB\_CA\_EFP\_BY\_PROJ\_ID (check PCA)
    - UMB\_CA\_EFP\_BY\_PROJ\_ID\_CURR\_SAL (current salary)
    - UMB\_CA\_EFP\_BY\_COMBO\_CODE (alternative to proj ID)
    - UMB\_CA\_EFP\_BY\_COMBOCD\_CURR\_SAL (current salary)



- Since we use the real service dates on the PA form, the earnings will be distributed to the appropriate fiscal year according to those dates
- Write the appropriate fiscal year on the top of the PA form
- If a Combo Code is not indicated on the PA form:
  - Pay earnings prior to 7/1/23 will be distributed based on FY23 EFP(s)
  - Pay earnings after or equal to 7/1/23 will be distributed based on FY24 EFP

# PP24-01 Payroll Adjustment Form

<b>A</b>	
UNIVERSITY of MARYLAND THE FOUNDING CAMPUS	

#### Payroll Adjustment Form University of Maryland Baltimore

Employee Name			Pay Period	24 04 (EV22)
(Last, First):			Processed (FY-PP):	24-01 (FY23)
Empl ID/Rcd#/ Paygroup:	0		Dates of Service:	
Employee Title:			Empl Class:	
Department Name:			Payroll Contact:	
Department ID:			Contact phone:	



- The bi-weekly salary rate calculation is to divide the annual salary by the pay period factor.
- Since FY24 is a leap year, the annual salary will not change but the bi-weekly salary calculation will be calculated based on factor 26.142857
- A leap year row effective 7/1/23 will be added on the Job Data page for Faculty/Exempt/Nonexempt employees
  - ≥366 days divided by 14 days per pay period = 26.142857
  - ➤ Refer to FY Salary Calculation Charts- 14ths and 10ths
- Salary Pay is calculated on 14ths Ex. New faculty/exempt employees who start on Tuesday, 6/20/23 (Monday, 6/19 is a holiday) will receive 12/14ths pay; terminating effective Saturday, 7/1/23 (last day Friday, 6/30/23) will receive 13/14ths pay

- Current faculty/exempt employees will receive a 13/14ths pay calculated based on salary factor of 26.071428 and 1/14<sup>th</sup> pay calculated based on salary factor of 26.142857
  - Example: Employee with an annual salary of \$60,000- salary pay for PP24-01 will be calculated as below:
    - Current bi-weekly rate \$2,301.37 (60000/26.071428)  $\rightarrow$  6/18-6/30
    - Eff 7/1/23 bi-weekly rate due to Leap Year \$2,295.09 (60000/26.1428)
    - Bi-weekly pay for PP24-01: \$2,300.92 (2301.37 x 13/14) + (2295.09 x 1/14)
  - Please note: Employees will see a small difference in PP24-01 on their bi-weekly pay due to leap year rate change

- The hourly rate for nonexempt employees will change because of the leap year
  - Example: Employee with an annual salary of \$60,000- salary pay for PP24-01 will be calculated as below:
    - Current Hourly rate **\$28.77** (60000/26.071428)/80  $\rightarrow$  6/18-6/30
    - Eff 7/1/23 bi-weekly rate due to Leap Year **\$28.69** (60000/26.1428)/80
    - Nonexempt employees are paid based on work hours x hourly rate
    - If they work 8 hours/day (M-F) their bi-weekly pay will remain the same for PP24-01 because 7/1/23 is Saturday (non-working day)
- Hourly employees are paid based on work hours x hourly rate, no leap year row will be added for this PayGroup

- Calculation charts have been updated and published on OOTC-Payroll Services website at <u>Calendars - Payroll Services (umaryland.edu)</u>
  - Payroll Calendar (only FY23)
  - Pay Date Schedule
  - CA Calendar
  - ➤ FY Salary Calculation Chart 10ths
  - > FY Salary Calculation Chart 14ths



- Calculation charts have been updated and published on OOTC-Payroll Services website at <u>Calendars - Payroll Services (umaryland.edu)</u>
  - Payroll Calendar (only FY23)
  - Pay Date Schedule
  - CA Calendar
  - ➤ FY Salary Calculation Chart 10ths
  - > FY Salary Calculation Chart 14ths



# **Payroll Calendar**

- Check the eUMB News from the Portal Page such as:
  - Updated Payroll/Financial calendar message
  - FY End Memo
- Payroll Adjustment Forms (PAFs) due dates moved to Thursdays due to the holidays:
  - Memorial Day Holiday: PAFs due on 5/25/23 for PP23-25 (5/21-6/2/23)
  - Juneteenth Holiday: PAFs are due on 6/8/23 for PP23-26 (6/4-6/17/23)
  - July 4<sup>th</sup> Holiday: PAFs are due on 6/22/23 for PP24-01 (6/18-7/1/23)

## **Questions or Comments**



