

Payroll Reps FY18 Processing

Tuesday, June 6, 2017 2-4pm

School of Pharmacy- Room PH-N103

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Presenters

- Beryl Gwan
 - Manager- SPAC- Costing & Compliance
- Susan McKechnie
 - AVP & University Controller- Financial Services

Agenda

- SPAC-CC
 - FY18 Fringe Benefit Rates
 - Direct Retros
- Financial Services- Payroll
 - EFP Rollover
 - 17-26 and 18-01 Actuals Distribution & Encumbrances
 - Other FY18 Processing Activities

FY18 FRINGE BENEFIT RATES & DIRECT RETROS (DR)

FY18 Fringe Rates

- Proposal was submitted last December, 2016
- Final approval is still pending, expected in June
- "Planning" rates for grant proposals were announced in January and are now in Kuali-COEUS
- When the rates are finalized, an email will be sent out to the Campus, and they will be posted on the Costing & Compliance webpage:

http://www.umaryland.edu/cost/fringe-benefit/

FY 18 Planning Fringe Benefit Rates, Currently in Kuali-Coeus

	Apply to Accounts	FY17 Finalized	FY18+ Proposed	Fringe Account
Faculty	1011 – Faculty 9/10 mo. 1012 – Faculty 12 mo.	26.4%	27.2%	2790 – Fringe rate Faculty
Staff	1013 – Exempt staff 1014 – Non-exempt staff	40.9%	43.6%	2791 – Fringe rate Staff
Legislated Benefit	2071 – Faculty 2072 – Exempt staff (C1) 2073 – Non-exempt staff (C1) 2080 – Summer salaries 2085 – Supplemental Pay 2110 – Overtime 2120 – Shift differential 2130 – On call pay 2140 – Bonus Payments 2074 – College Work study (summer) 2075 – Students (other than CWS) (summer) 2090 – Contractual employee (C2) (Until FY16)	8.5%	8.4%	2793 – Fringe rate Legislated Benefit
Limited Benefit	1021 – Post Docs/Fellows 2090 – Contractual Employee (C2) (FY16+)	26.1% (To PP17-11) 24.0% (From PP17- 12+)	21.4%	2792 – Fringe rate Limited Benefit

FY18 Fringe Rates

- The FY18 fringe rates will be applied to the entire first pay period period in FY18
 - PP18-01 (6/25/17 to 7/08/17)
- The fringe for PP18-01 will be posted as follows:
 - 6/25/17 to 6/30/17 Posted to FY17
 - 7/1/17 to 7/8/17 Posted to FY18

FY18 Fringe Rates Summary Chart

Pay Period	Rate Used	Posted in FY
17-26	FY17	2017
18-01	FY18	2017 (6/25-6/30) 2018 (7/1-7/8)
18-02	FY18	2018

FY18 Retroactive Distributions

- DEADLINE to submit Direct Retros to be posted in FY17 is Friday, 7/7/17
- All Direct Retros received from 7/10/17 and forward will be posted to FY18
- The direct retro cut off date for the 17-26 pay period is Friday, 6/23/17.
 - 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.

Direct Retro Cut Off Dates

When Received by	Pay Period	Posted in FY (HRMS
Cost Analysis	Processed	and Financials)
Tuesday, 6/13/17 @ 2pm	17-25	2017
Friday, 6/23/17	17-26	2017
Friday, 7/7/17	18-01	2017
Monday, 7/10/17 and beyond	18-02	2018

DR Processing - Reminders

- Physician Services Contracts Exception:
 - No Direct Retros moving payroll to or from a PSC account in FY17 will be processed after the FY17 DR deadline on Friday 7/7/2017
- A direct retro and a budget retro cannot be processed in same pay period

Plan accordingly!!!

DR Submission Reminders

- If crossing effort periods, DR must use the percent/PP in the "Transfer Type" column.
- DR explanations need to be detailed, and must include how the amount being transferred was determined.
 - A statement saying it was calculated based on how the employee worked is not sufficient. This could explain why the chart string being charged is appropriate, but not how the amount was determined.

DR Submission Reminders Con't

- Link to Effort Reporting Periods Chart
 - http://www.umaryland.edu/media/umb/af/cos t/EffortChartthrough123117.pdf
- Link to Direct Retro Instructions on the "instructions" tab of the excel form
 - http://www.umaryland.edu/cost/direct-retroforms/

Questions or Comments on Fringes or DR Processing



EFPS & DISTRIBUTIONS & THE FY18 ROLLOVER

FY18 EFP Rollover

- The process where we take the last EFP used for actuals distribution in FY17 and copy it to FY18
- Will occur after 8PM on Tuesday, 6/27
- After the rollover is done, EFPs for FY17 cannot be changed

Fix EFP – Salaried EEs

- AFY, ASY, and EFY paygroups- "Fix" EFPs will
 NOT be created
- All retro earnings with effective dates prior to 7/1/17 that are paid in PPs 18-02 through 18-26 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 FY18

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 (4/30/17), 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 FY18 since timesheets can only go back 4 pay periods (i.e. deleted on 9/8/17)

FIX EFP - Non-salaried EEs

- If there are multiple EFPs for an employee in FY17 between 4/30/17 and 6/30/17, the prior year retro earnings paid PP18-02 through 18-04 will only be done based on the last FY17 EFP
 - Corrections must be done via Direct retro (DR)
- Prior year retro earnings paid beginning PP18-05 through 18-26 will be charged to the PCA
 - Departments are required to submit DRs to redistribute prior year expenses paid in FY18

FY17 EFP Cut Off Date

- Tuesday- 6/27: All EFPs for FY17 must be approved in eUMB before 8pm
 - EFPs entered but not approved by the deadline will be deleted
- No budget retros for FY17 after 6/27,
 8pm

PP17-26 (6/11-6/24) Distribution

- Wednesday-6/28: Actuals Distribution process is run for PP17-26 with no encumbrances
- Thursday-6/29: Validate that payroll expenses were distributed correctly using HRMS Payroll Charges Detail (PCD)
- Friday-6/30: Validate that payroll expenses were distributed correctly using Raven Statement of Payroll Charges (SPC)

WHAT TO DO BEFORE THE FY18 EFP ROLLOVER

From today until 8pm on Tuesday, 6/27/17

- Make sure <u>all</u> employees have a FY17 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 6/30/17 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, 6/13 for PP17-25
 - Approve new EFP by 8pm on Tuesday, 6/27 for PP17-26 and PP18-01 distribution (6/25-7/8)

- Check ALL Funding End Dates (FED) on EFPs:
 - No FED ⇒ no change required
 - FED > 6/30/17 ⇒ no change required
 - FED < 6/30/17 ⇒ change now so that payroll expenses do not charge PCA
 - FED = 6/30/17 ⇒ OK to change now; must be changed in FY18 to avoid charging PCA

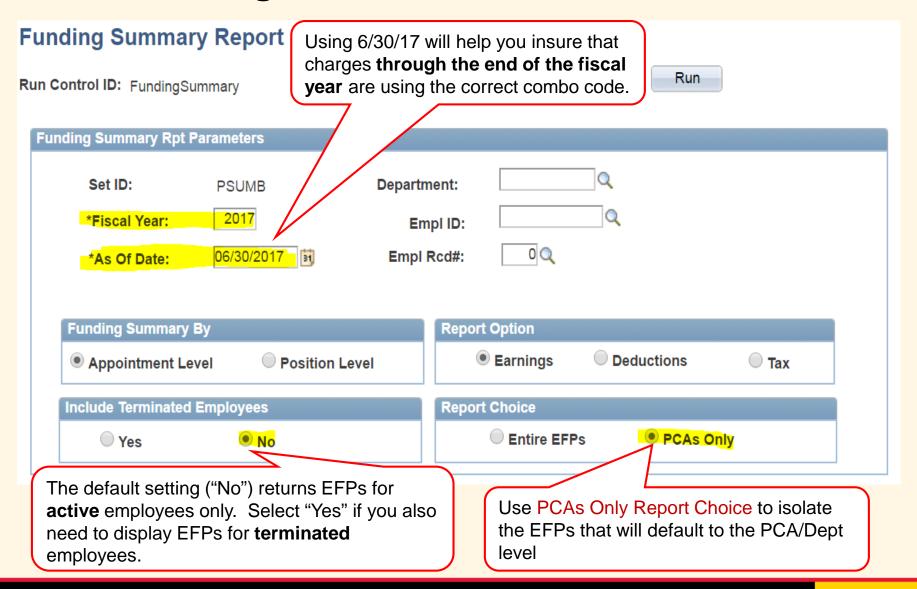
- Funding End Dates on EFPs:
 - For sponsored projects, the funding end date is required and it can be extended to the lesser of the project end date or 6/30/22 (current FY + 5 years)
 - For all other projects, an end date is not required or recommended but if entered it cannot be greater than the end of the current fiscal year

- Check for EFPs that cite PCA:
 - Run Query UMB_CA_EFP_BY_PROJ_ID
 - Enter Department PCA for project
 - If EFP is found where PCA is cited, consider changing it

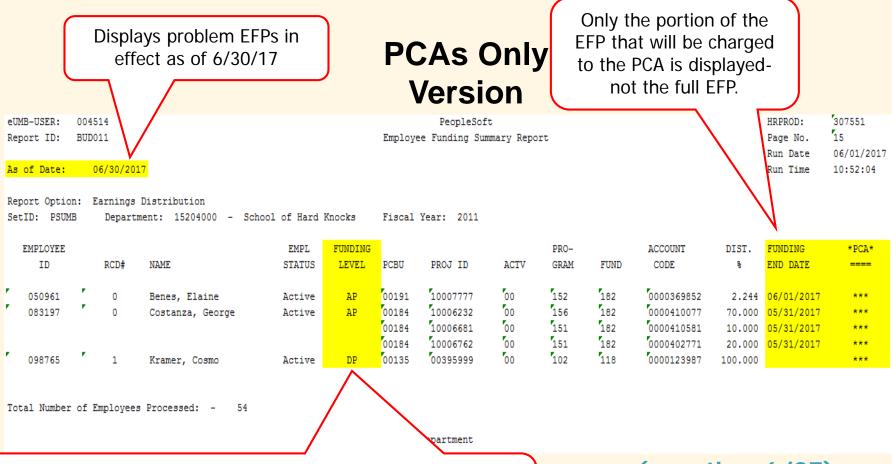
Run Funding Summary Report using an "as of" date of 6/30/17 and select the "PCAs Only" report choice. Only the following will be returned:

- 1.Lines marked as 'DP' (i.e. No EFP)
- 2.Lines with Funding End Dates of 6/30/17 or earlier (i.e. Expiring EFP)

Setting Up Funding Summary Report: Checking EFPs Before 17-26 Distribution



Reviewing Funding Summary Report: Checking EFPs Before 17-26 Distribution



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

(now thru 6/27)

FY18 EFP ROLLOVER (AFTER 8PM ON TUESDAY, 6/27/17)

FY18 Rollover

- The last FY17 EFP will be used to programmatically:
 - Create the Initial 7/1/17 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

FY18 Rollover

- The "fix" EFP (NFY/HRLY/SPC Only):
 - Will have a Funding Begin Date of 4/30/17, employee's hire date, or date transferred to department -- whichever is latest
 - Used to distribute FY18 payroll expenses associated with pay earnings dates from 4/30/17-6/30/17 paid in PP18-02 through 18-04 (ex. Shift, OVT, hourly employees)
 - Cannot be created if an employee has no FY17 EFP by 6/27/17
 - Prior fiscal year retro pay (<7/1/17) will be charged to PCA and the department must submit a DR to move expenses

FY18 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 PP18-01 ACTUALS DISTRIBUTION

From Wednesday, 6/28/17 through Tuesday, 7/11/17 at 8PM

Before PP18-01 Actuals Distribution

- Make sure <u>all</u> active employees have a <u>valid</u>
 7/1/17 EFP
 - Review 7/1/17 EFP to be sure it is valid (check combo codes, funding end dates, % distributions)
 - Create a <u>valid</u> 7/1/17 EFP if it is not there
- 6/28 @ 6AM 7/11@ 8PM (Two Week period):
 - Departments review and create additional 7/1/17 EFPs as needed to reflect valid combo codes, funding end dates, % distributions

Creating New FY18 EFPs

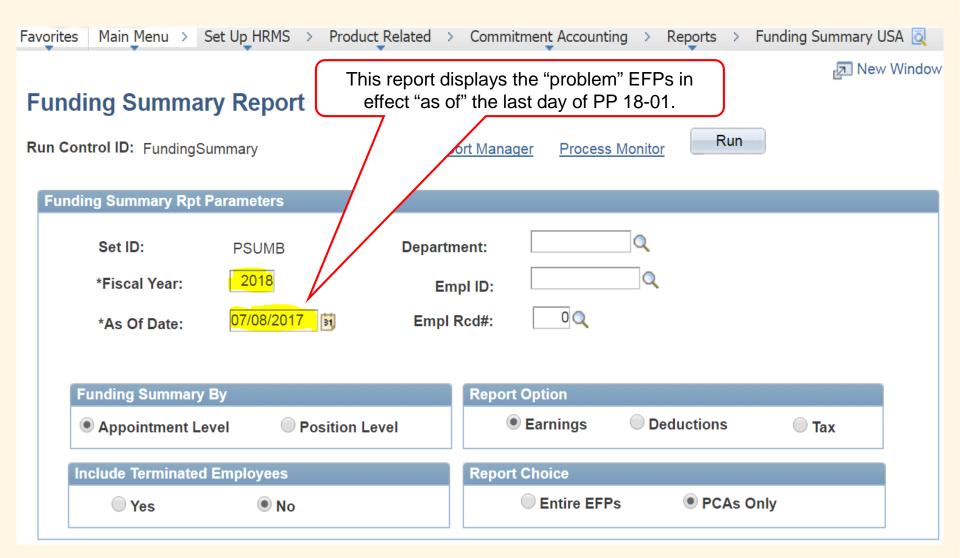
- EFP will display the salary in effect at the time the EFP is created
- If an ePAF submitted effective 7/1/17 but it hasn't been fully approved in eUMB then the old salary will be reflected on the EFP pagethis is OK
- Reminder- salary displayed on the EFP is informational only and may not reflect the actual amount distributed.

Checking FY18 EFPs Before 18-01 Distribution

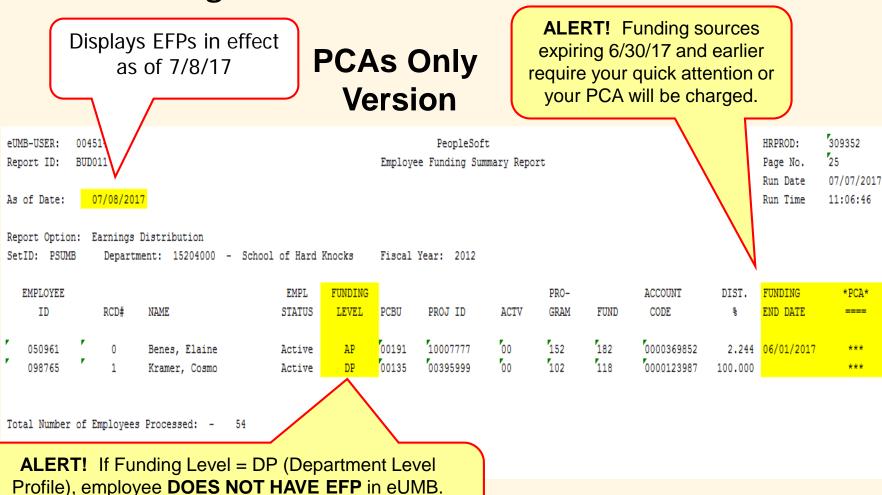
Run Funding Summary Report using an "as of" date of 7/8/17 and select the "PCAs Only" report choice. Only the following will be returned:

- Lines marked as 'DP' (i.e. No EFP)
- 2. Lines with Funding End Dates of 7/8/17 or earlier (i.e. Expiring EFP)

Setting Up Funding Summary Report: (thru 7/11) Checking FY18 EFPs Before 18-01 Distribution



Reviewing Funding Summary Report: (thru 7/11) Checking FY18 EFPs Before 18-01 Distribution



Payroll-related expenses will be charged to the departmental PCA!

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FY18 REDIRECT EFPS TO PCA PROCESS

On Tuesday, 7/11/17 after 8pm

FY18 Redirect EFP Process

- If the FY18 EFP has a funding end date of 6/30/17 or earlier, on Tuesday, July 11th 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 7/1/17

EFP Redirect Example

The initial FY18 EFP created effective 7/1/17 with combo codes expiring before 7/1/17 was not fixed before 7/11/17 at 8pm

Funding Funding Source **End Date** Source Percent FY18 EFP on 7/11/17 blank State 10% Revolving blank 5% Grant#1 5/31/2017 20% Grant#2 6/30/2017 30% Grant#3 7/31/2017 25% Grant#4 8/31/2017 10% 100% FY18 EFP on 7/12/17 blank State 10% Revolvina blank 5% Grant#3 7/31/2017 25% 8/31/2017 Grant#4 10% PCA 7/1/2017 50%

100%

A redirect process will run on Tuesday, 7/11/17 to remove combo codes with funding end dates prior to 7/1/17 and add the PCA/Dept Default combo code equal to the percent of combo codes removed.

PP18-01 ACTUALS DISTRIBUTION & ENCUMBRANCES

On Wednesday, 7/12/17

PP18-01 (6/25-7/8) Distribution

- Wednesday-7/12: Actuals Distribution process is run for PP18-01 with encumbrances calculated from 7/9/17 forward
- Thursday-7/13: Validate that payroll expenses were distributed correctly using PCD in HRMS
- Friday-7/14: Validate that payroll expenses were distributed correctly using <u>SPC</u> in Raven

PP18-01 Actuals Distribution

- Two Week period = 6/25-7/8/17
- Using FY18 Fringe Benefit Rates for entire PP18-01 (6/25-7/8)
- For PCD reporting purposes, we refer to period of 6/25-30 as PP17-27 (AKA the payroll accrual) and 7/1-8 as PP18-01
- For SPC reporting purposes, we refer to the entire pay period as 18-01 and use the Fiscal Year field to segregate 6/25-30 from 7/1-8

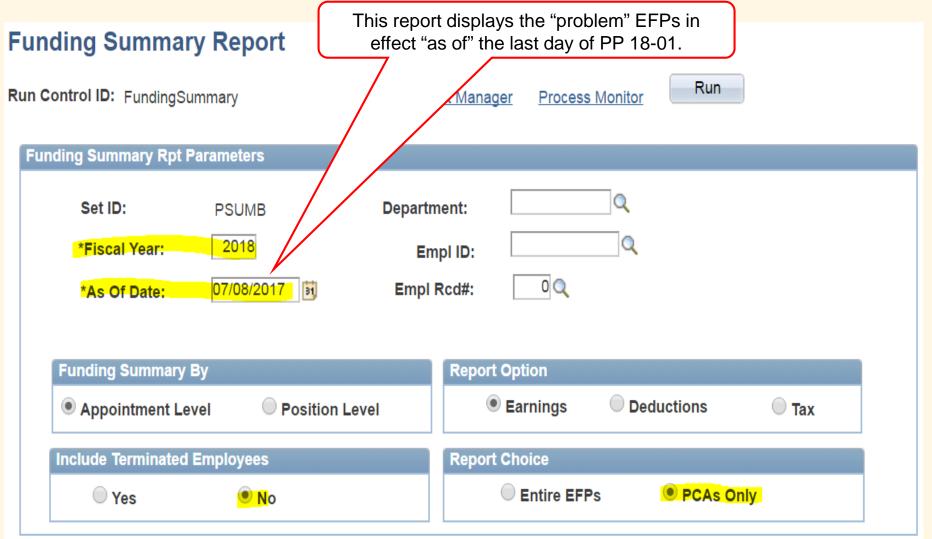
PP18-01 Actuals Distribution

- PP18-01 covers payroll expenses associated with both FY17 and FY18- when the actuals distribution is run:
 - FY17 payroll expenses (based on pay earnings dates) will be distributed based on the FY17 EFP(s) in effect for 6/25-30
 - FY18 payroll expenses (based on pay earnings dates) will be distributed based on the 7/1/17 EFP in effect

PP18-01 Actuals Distribution

- When a valid EFP is <u>not</u> set up before the 18-01 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 7/12) Checking FY18 EFPs Used in 18-01 Distribution



Reviewing Funding Summary Report: (starting 7/12) Checking FY18 EFPs Used in 18-01 Distribution

Displays problem EFPs in effect as of PP18-01

PCAs Only Version

Example where no changes were made to FY18 EFPs

eUMB-USER: 004514 Report ID: BUD011 As of Date: 07/08/2017					PeopleSoft Employee Funding Summary Report						HRPROD: Page No. Run Date Run Time	309956 25 07/13/2017 10:32:09			
	Report Option: Earnings Distribution SetID: PSUMB Department: 15204000 - School of Hard Knocks Fiscal Year: 2012														
	EMPLOYEE ID		RCD#	NAME	EMPL STATUS	FUNDING LEVEL	PCBU	PROJ ID	ACTV	PRO- GRAM	FUND	ACCOUNT CODE	DIST.	FUNDING END DATE	*PCA* ====
	050961 098765	, ,	0	Benes, Elaine Kramer, Cosmo	Active Active	AP DP	00135 00135	00395999 00395999	00 00	102 102	118 118	0000123987 0000123987	2.244	07/01/2017	***

Total Number of Employees Process

ALERT! Funding sources expiring 7/01/17 were changed by the redirect process to charge your PCA

Key Dates Summary

Action	Due/Action Dates 2017				
Units submit Direct Retros for FY17 (PP17-26)	Friday, June 23 rd by 2pm				
Units create new FY17 EFPs	Tuesday, June 27 th - 8pm				
EFP Rollover: Copy forward FY17 EFPs to create FY18 7/1/17 EFP and "Fix" EFP	Tuesday, June 27 th after 8pm				
PP17-26 Actuals Distributions	Wednesday, June 28 th				
Units create new FY18 EFPs	Wednesday, June 28 th - Tuesday, July 11 th by 8pm				
Units submit Direct Retros to post in FY17 (PP18-01)	Friday, July 7 th by COB				
EFP Redirect process	Tuesday, July 11 th after 8pm				
PP18-01 Actuals Distribution with FY18 Fringe Benefit Rates and FY18 encumbrance	Wednesday, July 12 th				

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_DEPT_ID (all employees)
 - UMB_CA_NO_EFP (for missing EFPs)
 - UMB_CA_EFP_BY_PROJ_ID (check PCA)
 - UMB_CA_EFP_BY_COMBO_CODE (alternative to proj ID)

PP18-01 Reminders

- 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 7/1/17 will be distributed based on FY17 EFP(s)
 - Pay earnings after or equal to 7/1/17 will be distributed based on FY18 EFP

PP18-01 Payroll Adjustment Form Prior Pay Period Adjustment



Employee Name		Pay Period		
(Last, First):		Processed (FY-PP):		
Empl ID/Rcd#/ Paygroup:	0	Dates of Service:	6/1/17-6/30/17	
Employee Title:		Empl Class:		
Department Name:		Payroll Contact:		
Department ID:		Contact phone:		

PP 18-01 Reminders

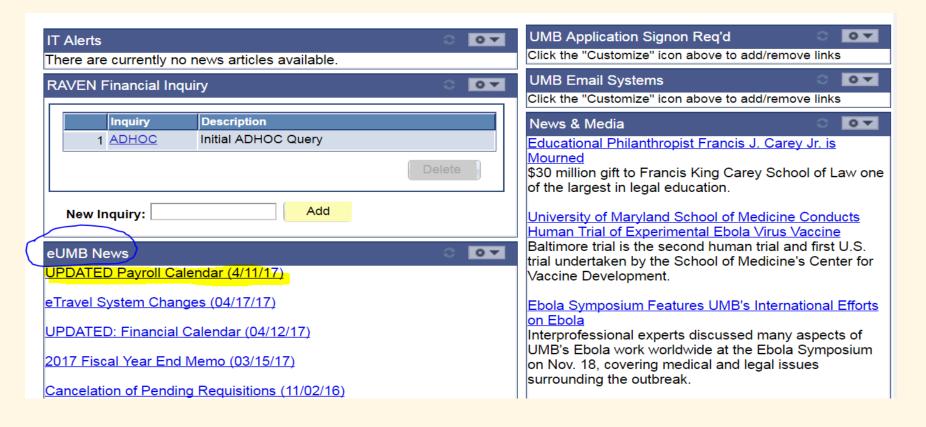
- Salary Pay is calculated on 10ths Ex. New faculty employee who starts 7/3/17 will received 5/10ths pay; exempt employee terminating 7/1/17 will receive 5/10ths pay
- Employees attending Onboarding on Monday, 6/26/17 would receive a full bi-weekly pay
- Employees last day work on Friday, 7/7/17 should have a termination effective date of 7/8/17 for a full bi-weekly pay
- Hourly Pay (Non-exempt and hourly employees) is calculated based on hours on specific days entered on timesheet or scheduled hours

PP 18-01 Reminders

- All calendars and calculation charts have been updated and published on FS-Payroll website at http://www.umaryland.edu/financialservices/payroll/
 - Payroll Calendar
 - Pay Date Schedule
 - CA Calendar
 - FY Salary Calculation Chart 10ths
 - > FY Salary Calculation Chart 14ths

Payroll Calendar

- Always check the eUMB News from the Portal Page such as:
 - Updated Payroll/Financial calendar message
 - 2017 FY End Memo



Cost Sharing for Payroll Expenses

- NIH Salary Cap is \$187,000. Check employees who may go over the cap with 7/1 pay changes
 - Amount is based on annualized salary-Ex. FTE=.20 and amount paid at UMB= \$40K → Annualized= \$200K
- Position owner creates EFP but may be unaware that a project from another department requires Over The Cap - communicate!

Questions or Comments on CA Processing



Key Contacts

- SPAC- Costing & Compliance- 6-2987
 - Direct Retros
 - effort@umaryland.edu
- FS- Payroll- 6-1243
 - EFP rollover process
 - DL-BFPayrollHelp@umaryland.edu