

## Payroll

**Total allocated time: 1 hour and 30 minutes, including questions**

### Session Objective

Provide an overview of payroll capabilities, including configuring payroll, initiating payroll for an employee, deductions and employer contributions, pay schedules, paying employees, adjustments, verifications, and auditing payroll processing results.

*Assumptions:* Payroll at WSU is administered on semi-monthly, lagged pay cycles (with pay periods of the 1<sup>st</sup> through the 15<sup>th</sup> and the 16<sup>th</sup> through the last day of the month) normally paid on the 10<sup>th</sup> and 25<sup>th</sup> of the month.

### Items to Demonstrate

1. Discuss and demonstrate standard processes and timelines for a payroll cycle.
2. Demonstrate how to configure and utilize pay type codes.
3. Calculate payroll and deductions for salaried and positive pay positions and include overtime, and manual overrides and adjustments, such as:
  - a. Employees that have multiple positions of different types, or the same type.
  - b. Overtime when pay period does not line up with work week.
4. Set deferred compensation maximums by deferred compensation type (e.g. 403b, 401K catch-up, etc.).
5. Demonstrate how the following types of pay are processed, extra compensation for additional responsibilities, differentials, stipends, car stipends, fellowship payments.
6. Demonstrate how retroactive and manual adjustments are made for an employee prior to processing payroll.
7. Demonstrate how deductions and contributions are setup, processed, and paused for the following:
  - a. Garnishments and levies.
  - b. Overriding a deduction, take multiple deductions, partial deductions, give a refund or establish deduction hierarchy.
  - c. Informing an employee when maximum deductions for benefits have been paid.
  - d. Calculation and collection deductions retroactively, and provide relevant details on employee's paystub. For example, an employee has 30-90 days to make a retirement election from the effective date of the notification.
  - e. Importing of mass deduction data from departments, i.e., Parking or University Recreation Center.
  - f. How to exclude certain groups or earning codes from deductions eligibility.
8. Demonstrate how a temporary change to the default funding for an employee is processed for a single payroll and for a retroactive re-distribution.
9. Show how student FICA exemption is invoked/revoked based on enrollment changes.
10. Demonstrate how check/direct reversals, tax refunds, direct deposits and employee adjustments are done.

- a. Show how the check reversal process would ensure the original accounts would be credited since this information may change on the payroll master file from the point of the original issue of the check to the actual reversal.
11. Demonstrate a full reversal on an employee check that includes deductions, taxes, etc., highlighting the following:
  - a. A new check is issued reflecting the correct amount, and updates to records showing the correct labor expense distribution.
  - b. Show the effect on leave balances, gross wages, YTD tax withheld, YTD taxable wages, tax disbursements/deposits, other third-party payments and deposits, and all accounting entries.
  - c. Produce a proof register for the replacement check showing the gross-to-net calculation before the check is produced.
  - d. Show the audit trail of the transaction, including the user who made the changes.
  - e. Reflect changes in affected earning statement(s).
  - f. Show how these functions can be performed after the close of the calendar year prior to and after generating the Form W-2s.
12. An employee receives a retroactive pay increase, demonstrate how this increase in salary and benefits impacts reporting and effort/payroll certifications.
13. Demonstrate how to manage and process payroll for groups who are affiliated with WSU but are not regular employees. For example, WSU manages payroll for groups such as the consolidated E-911 dispatch center for the city of Pullman.
14. Discuss and demonstrate options for the work flow to send payments and/or files to third parties (e.g. flat file, API, etc.).
15. Demonstrate functionality that supports W-2 processing for each of the following:
  - a. Explain functionality around corrections, both before and after W-2s are submitted. Explain the audit trail for corrections.
  - b. Add non-wage amounts (e.g., travel expenses, per diem, game day tickets etc.) to taxable gross for W2 reporting.
16. Demonstrate how to make off-cycle payments and remit payment through direct deposit or check.
17. Demonstrate how the returned payment can be redirected when an ACH returns funds due to a closed account.
18. Demonstrate reporting tools and out of the box payroll reports, including:
  - a. Government reporting for each employee.
  - b. Edit reports and payroll verification/audit reports for review before payroll is processed.
  - c. Demonstrate how to correct an error before payroll is finalized.
  - d. Reports of any active employees who record time, who will be impacted by missing approvals or unresolved time sheet issues.
19. Demonstrate how a department certifies payroll for a pay period.