FY11 Clearing Your Organization Suspense Account (OSA)

Topics of Discussion

▸ Year End Close FY11 Highlights
▸ Pertinent OSA Information
▸ Identify and Prevent Future Postings
▸ Frequently Asked Questions

▸ APPENDIX 1 – Process Steps

FY11 Year End Close Information

FY11 Year End Close Information

◦ Departments will be required to clear OSA balances by:

- **8/10/11** for 01-SEP-10 thru 31-JUL-11 pay periods
- **8/25/11** for 01-AUG-11 thru 15-AUG-11 pay period *(*New for FY11)*
- **9/06/11** for 16-AUG-11 thru 31-AUG-11 pay period

◦ All unapproved distribution adjustments will be rejected at 5pm on:

- **8/12/11** for 01-SEP-10 thru 31-JUL-11 pay periods
- **8/29/11** for 01-AUG-11 thru 31-AUG-11 pay period

◦ All rejected OSA transactions along with any other remaining transactions will be transferred to the OSA Transfer PTA designated by the department

◦ A calendar with all Year End Close critical dates, including OSA deadlines, will be available in June on the Fingate website
http://fingate.stanford.edu/staff/moyrendclose/res_jobaid/year_end_close_schedule.html

FY11 Year End Close Information

◦ Budget Officers will receive OSA balances on a weekly basis beginning June through August

◦ To prevent users from entering distribution adjustments on OSA transactions, a system control will be put in place to **hide** the earnings.   These will be in effect starting at 5pm on:

- 8/10/11 for 01-SEP-10 thru 31-JUL-11 pay periods
  - OSA earnings available for adjusting on Monday 8/15/11 (after the central clearing adjustment has been entered)
- 8/25/11 for 01-AUG-11 thru 15-AUG-11 pay period
  - OSA earnings available for adjusting on Tuesday 8/30/11 (after the central clearing adjustment has been entered)
- 9/06/11 for 16-AUG-11 thru 31-AUG-11 pay period
  - OSA earnings available for adjusting on 9/24/11 (after the Labor Adjuster functionality is reactivated)

◦ **Labor Distribution Adjuster functionality will be fully disabled on 9/06/11 at 5pm and "reactivated" on 9/24/11**.

Pertinent OSA Information

Pertinent OSA Information

- An Organization Suspense Account is a PTA that is assigned to every Organization to hold payroll transactions that were rejected by the system

- Each department (Org) is mapped to a single OSA

- Departments determine which OSA is assigned

- All transactions in the OSA are posted to the 51610 expenditure type and are burdened at the *highest* burden rate

- An employee's suspense earnings are charged to the Org Suspense Account associated with the department Org on the employee record in PeopleSoft (e.g. Bill's HR Org in PeopleSoft is ABCD, his rejected earnings will post to the OSA mapped to ABCD.

Pertinent Information (continued)

Additional Information

- OSA Overview and Macro can be found on the Oracle website at:
  - http://fingate.stanford.edu/staff/moyrendclose/org_susp_acct.html

- OSA Macro to format FIN_EXP_279_Transaction_Detail_Rpt
  - Used to sort and subtotal by employee

- Who Can Create a Labor Distribution Adjustment?
  - Instructions to find appropriate LD Adjuster in Authority Manager who has the ability to enter distribution adjustments for the employee's department Org: https://stanford.box.com/fingate-find-ld-adjuster

Pertinent Information (continued)

Resource Websites

▸ HelpSU
  ◦ http://helpsu.stanford.edu
    • Request Category: Administrative Applications
    • Request Type: Oracle Financials

▸ About Oracle Financials Systems:
  ◦ http://fingate.stanford.edu/staff/finauthority/oracle_systems.html

▸ Sign up for Labor Distribution lists:
    • LD-Adjusters: LD-Adjusters@lists.stanford.edu
    • Labor-Schedulers: labor-schedulers@lists.stanford.edu

▸ Info regarding Expenditure Statements (including salary)
  ◦ Found by typing "Expenditure" in your browser
    • Be sure to check out the document "Salary and Vacation Accrual Examples" found under the "Expenditure & Revenue Detail Report" "Supporting Materials" tab

Pertinent Information (continued)

Reports

The following Reportmart3 reports will assist in determining/performing correcting entries – use these reports as needed

- *FIN_EXP_279_Detail_Transactions_Report*
  - Should be run after receiving e-mail from Financial Information & Reporting Systems group (Reyna Rojas)
  - Displays OSA PTA totals and highlights payroll earnings that need to be addressed
  - *Use OSA macro to modify report to sort and subtotal by employee*
    - *Macro: https://stanford.box.com/fingate-suspense-account-macro*
    - *Instructions : https://stanford.box.com/fingate-osr-report-inst-macro*

- *FIN_LABOR 173 Suspense Account Report*
  - Includes reason codes explaining why payroll earnings hit the Suspense Account
  - Displays SOV and VCR earnings that total $0 and need to be transferred out

- *FIN_LABOR 167 Earnings Dist Plan*
  - *Displays how earnings should have been distributed (salaried employees)*
  - *Same information as Labor Schedule for referenced pay periods and zoom function in LD Adjustments*

- *FIN_LABOR_168_Earn_Dist_Assig_Org*
  - *Displays how payroll transactions were distributed for all employees (does not include Distribution Adjustments)*
  - *Search prompt by department Org only*

- *FIN_LABOR 169 Earning Dist Emp*
  - *Displays how payroll transactions were distributed for all employees (does not include Distribution Adjustments)*
  - *Search prompt by Employee Name only*

- *FIN_LABOR 170 Earning Dist PTA*
  - *Displays how payroll transactions were distributed for all employees (does not include Distribution Adjustments)*
  - *Search prompt by Employee Name, Employee Number, or PTA*

- *FIN_LABOR 247 Distrib Adj Detail*
  - *Provides summary and detail information of LD Adjustments that have been processed.*

Prevent Future Postings to OSA
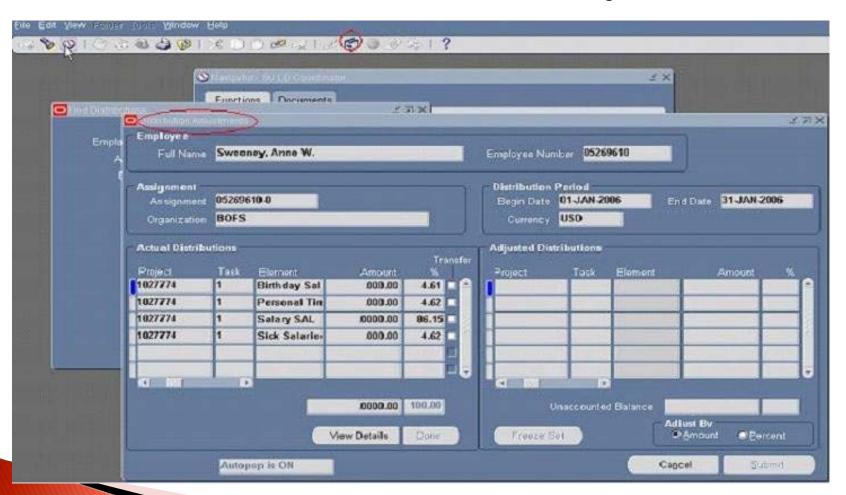
Prevent Future Postings

Prevent future postings to OSA's

- Review reason codes on the FIN_LABOR_173 Suspense Account Report to determine why employee earnings posted to Suspense

- If necessary, modify:
    - Employee's labor schedule
    - PeopleSoft record
    - GFS record
    - Axess Timecard (update PTA information)
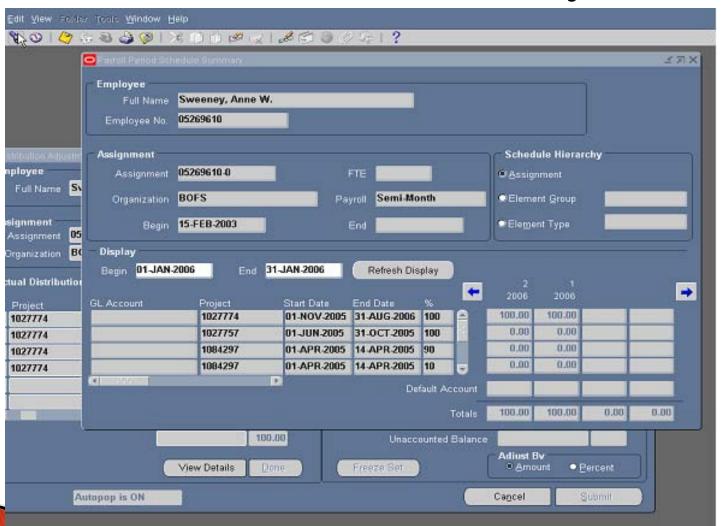
Prevent Future Postings

Determine what PTA's should have been charged

▸ Utilize the Zoom Function in Distribution Adjustments

Prevent Future Postings

Utilize the Zoom Function in Distribution Adjustments

Frequently Asked Questions

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- Why do charges post to OSA?

- Why do PTA's become invalid?

- How do I find out who has Authority to enter a distribution adjustment for an employee?

- Why do some employees have a 31-AUG-10 end date on their Labor Schedule?

- Why is it required to populate the end-date on all Labor Schedule lines?

- Why are Org Suspense Accounts (PTAs) in Axess Timecards if they are not suppose to be used?

- What is the last day I can update a Labor Schedule for an employee for the current pay period?

- How can I identify the status of a Distribution Adjustment?

- Do the SOV and VCR Vacation Entries need to be moved?

Frequently Asked Questions (continued)

Why do charges post to the OSA?

- A Labor Schedule **does not exist** for an employee that should have one *(excludes GFS)*

- Labor Schedule lines total **less than 100%** (remaining earnings hit suspense)

- Hours entered in Axess Timecard were **linked to OSA**

- **PTA** listed on Labor Schedule was **invalid** when payroll was run

- **PTA** assigned in Axess Timecard/Payroll/GFS was **not valid**

Frequently Asked Questions (continued)

Why do PTA's become invalid?

▸ Changes made to PTA setup after the transaction was entered but prior to approval may cause the PTA to become invalid and the transaction to be rejected

▸ These changes may include:
- Close Date
  - Last date Award will accept transactions (regardless of expenditure item date)
    The Close Date is the last date the system will allow an expense to be entered (and approved) on the PTA
- End Date
  - *The last expenditure item date the system will allow an expense to be entered on the PTA*

  Scenario: An Award has an End Date of 31-DEC-05 and a Close Date of 31-MAR-06

  Example:
    *A distribution adjustment is entered and approved on 01-MAR-06 for payroll earnings reflecting the 15-DEC-05 (the expenditure item date) pay period. The adjustment **will be** processed and posted because the adjustment was entered before the close date (31-MAR-06) and the date the expense was incurred (15-DEC-05) was before the End Date*

- Changes on the P, T and/or A status
  - If the status is At Risk, On Hold, or Closed, then charges cannot be posted

- Installment Not Activated
  - Central office has not enabled Award to receive expenses

Frequently Asked Questions (continued)

How do I find out who has Authority to enter a Distribution Adjustment for an employee?

▸ Access to Oracle's Labor Distribution module is granted based on the Org that "owns" the employee's assignment

▸ Many reports, including the FIN_279 Expenditure Item Detail Report and the Labor_173_Suspense_Account provide the employees Org so you can readily identify it

▸ The employee's department Org is displayed after their name on most expenditure reports

▸ To determine who can create a Labor Distribution Adjustment for the employee access Authority Manager and review Authority based on the employee's Org

See Job Aid for detailed instructions (including screen shots):
https://stanford.box.com/fingate-find-ld-adjuster

Frequently Asked Questions (continued)

Why do some employees have a 31-AUG-11 End Date on their Labor Schedule line(s)?

▸ End Dates on Labor Schedule lines for employees funded by non-sponsored projects – and where the end date is not populated with a prior date – are automatically populated with the end date of the current fiscal year

▸ End Dates on Labor Schedule lines will be used to create Salary Encumbrances (Commitments) and therefore must be populated

▸ If the End Date field is not populated Salary Encumbrances processes will not complete in a timely manner

▸ Student in Labor Schedule classes are instructed to input the last day of the fiscal year (31-AUG-200X) and central office is responsible for rolling dates forward (for non-sponsored PTAs)

Frequently Asked Questions (continued)

Why are Org Suspense Accounts available in Axess Timecards if they are not supposed to be used?

- Interfaces are run daily from Oracle Financials to Axess Timecards to update PTA listings; OSA's are included in the interface because they are active PTAs. If a Labor Schedule is not created, Axess Timecard uses the OSA as the default PTA.

- Organization Suspense Accounts should not be used for payroll charges because these are not (funded) accounts

What is the last day I can update a Labor Schedule for an employee for the current pay period?

- **Hourly Employees (those paid through Axess Timecards):**
  - Last day of the pay period

- **Salaried Employees:**
  - 2 days after the last day of the pay period

Frequently Asked Questions (continued)

Identifying Distribution Adjustments in Process

‣ Run FIN_LABOR_247_Distrib_Adj_Detail report to identify all labor distribution adjustments that have not been approved (in process)

◦ Enter "In Process" in the Adjustment status field to limit your search to return only those adjustments that have not been approved

‣ Contact the Approver to complete transaction process (i.e. Approve or Reject the transaction)

Frequently Asked Questions (continued)

Do the SOV and VCR Vacation Entries need to be moved?

- All transactions must be moved from the OSA, *including* offsetting Salary on Vacation (SOV) and Vacation Credit (VCR) entries
  - SOV is the Salary an employee received while on Vacation
  - VCR is the credit received from the central account for the employee's Vacation used
  - Although VCR and SOV are offsetting entries:
    - Moving the entries ensures the total pay an employee received is accurately reflected on the appropriate PTA(s).
    - Allows the user to see the total effect of the vacation accrual policy on an account. (See http://www.stanford.edu/dept/DoR/Resources/vac.html)

- Why does my OSA have a negative balance?
  - Most likely can be attributed to Vacation Credit (VCR) entries that were not transferred along with the corresponding Salary On Vacation entries (SOV.) **Important Note:** this means that the account the SOV was moved to was overcharged (to correct this, an adjustment must be entered for the VCR earnings)

APPENDIX 1
Process Steps

Clearing OSA Balances

Clearing OSA Process Steps

▸ **Step 1:** *Identify outstanding balances in the OSA*

▸ **Step 2:** *Determine what PTA's should have been charged*

▸ **Step 3:** *Determine appropriate PTA(s) and enter a Distribution Adjustment*

Process : Step 1

Identify outstanding balances in the OSA

▸ Run the Exp_279_Detail_Transactions report year to date with the
   OSA Macro in ReportMart3**
  ◦ This report reflects the _actual_ balance in the account by PTA
  ◦ Includes payroll transactions _and_ distribution adjustments across multiple months
  ◦ Is refreshed nightly
  ◦ Includes both 51610 and non-51610* expenditure type transactions posted to the OSA

▸ Use this report to:
  ◦ Identify dollar amounts to be adjusted
  ◦ Identify employee balances that are not $0

▸ Run the FIN_LABOR_173 Suspense Account in Reportmart3**:
  ◦ Shows the reasons why transactions were charged to the OSA
  ◦ Available "real time" – once transaction is Approved
  ◦ Provides detailed transactions across multiple months
  ◦ Includes 51610 expenditure type transactions only

▸ Use this report to:
  ◦ Identify if any edits are required to correct an employee's Labor Schedule
  ◦ Review transactions where employee balances are $0, to determine if correcting entries for VCR/SOV are
    necessary

  * These are transactions that were adjusted to the OSA using an _incorrect_ expenditure type. All transactions posted
    to OSAs should have the 51610 expenditure type. However, in some cases departmental users entered adjustments
    using a non-51610 expenditure type

  ** The 173 and 279 reports balances **will not match** if non-51610 expenditure type transactions have been posted to
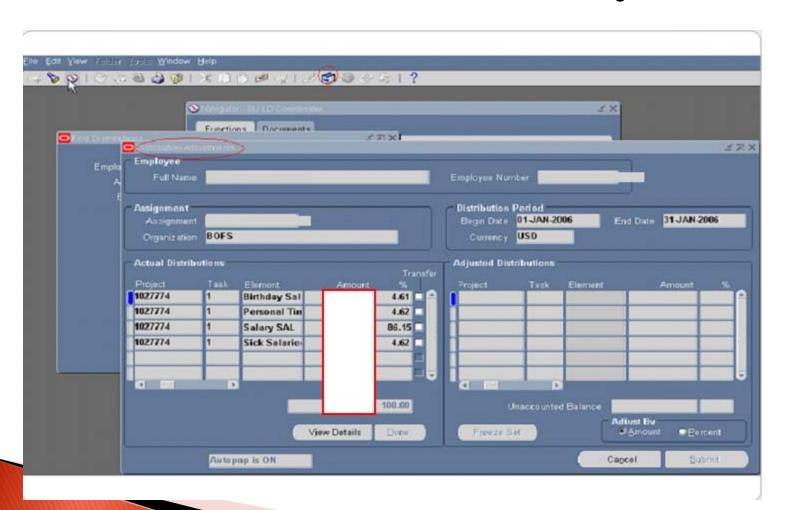   the OSA.

Process : Step 2

Determine what PTA's should have been charged

- Run the Labor Earnings Distribution Planning report (#167) year to date in ReportMart3:
  - *"What was supposed to happen" (for salaried employees)*
  - Includes Labor Schedule and Salary information

- Run the Labor Payroll Earnings Distribution Assignment Org report (#168) year to date in ReportMart3:
  - *"What really happened" (for all employees)*
  - Shows actual payroll distribution (including amounts that were charged to an OSA)
  - Includes original transactions only (source=LDACT); does not include distribution adjustments

- Compare the reports above to determine which PTA failed (was not charged)

Process : Step 2 (Alternative)
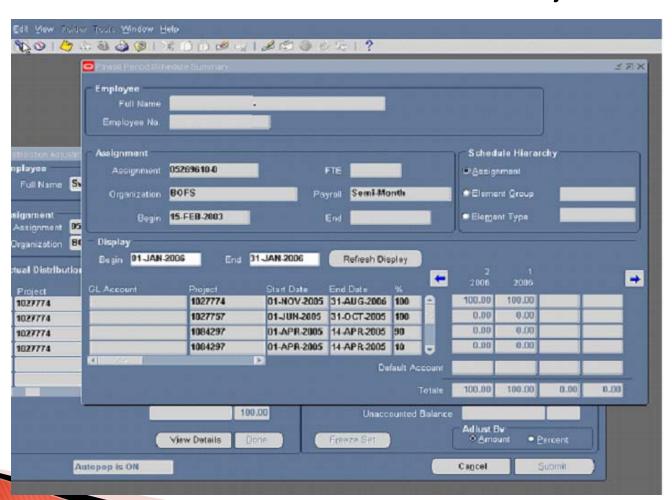
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Process : Step 2 (Alternative) continued

<u>Determine what PTA's should have been charged</u>

- Utilize the Zoom Function in Distribution Adjustments

Process : Step 3

Determine appropriate PTA(s) and enter a Distribution Adjustment

▸If necessary, contact others (i.e. Manager, PI) to determine what PTA the charges should be moved to

▸Use the **Element Level** (this level will automatically populate the expenditure type field for you)

▸The associated burdening will automatically be moved when the earnings are moved.

- ◦ **Expenditure Type Definitions can be found on the below link**: https://stanford.box.com/fingate-exp-type-def-rule