Labor Allocation – CORE Training April 22, 2015 notes

Agenda:

Overview
Additional system information
Demonstration of labor allocation process
Labor allocation reports
Review of labor allocation challenges

Definition of labor allocation – it is the distribution of payroll expenses to appropriate funding, which includes gross earnings and state contribution of fringe benefits

Important points:

- Allocating wages after the fact
- Accurate representation of payroll expenses by funding source
- Financial impact is huge, due to size of personal services expenses in relation to state's overall budget
- Federal, grant and other reporting needs
- PAM is system of record for all labor charges (mgmt. decision)
- Impact on budgeting process for Performance Based budgeting (PB) – OSPB requirements

Overview of labor allocation system:

1. CPPS – state payroll system
2. Timekeeping system – various systems are in use around the state: Kronos, timesheet, manual entry into CPPS, SAP
3. CLAS – Colorado Labor Allocation System – screens accessed through CPPS, where reallocation occurs – screen 11 and screen 15
4. PAM – Payroll Accounting Management System – this is a CORE system
5. CORE – state financial reporting system

CPPS

- Limited HR and payroll system
- Receives CORE generated accounting profile/template data (templates and profiles are entered for each employee on job screen)
- Mainframe application

Impact on labor allocation: The job assignment screen must be accurate and complete. The accounting template must be set up in CORE (Active).

Salary (gross wages data) from CPPS drives labor allocation. Total dollars do not change after allocation occurs. A list of data was provided – see power point for list of data within CPPS. Power point slides will be available later.

Timekeeping

- Mechanism for tracking hours worked and leave taken
- Track activities related to hours worked, associate with accounting profiles/templates

Impact on labor allocation:
- Feeds CPPS related to pay – biweekly, monthly, premium pays (OT, shift)
- Utilize detail activity and accounting template data that ultimately creates allocation

Passes through data from CPPS to CLAS – see power point for list of data received from timekeeping.

Need to review files for missing hours, accurate earnings, proper accounting template usage.

CLAS – Colorado Labor Allocation System

- Initial load comes from CPPS (initial data)
- Uses timesheet data to do allocation
- Mechanism for manual allocations (screen 11 and screen 15)
- Mainframe application

Source system for labor allocation process.
Utilizes hours or percentages from job assignment screen from CPPS
Timesheet overlays and redistributes
Has reporting capabilities

Screen 11 changes will be uploaded nightly to PAM. Changes will load to PAM following the Labor Allocation schedule.

You can only change allocation within same object code. Please refer to Document Direct report DD23DOC.

Can insert lines to get to total hours, if short hours. Can't change dollars, must change hours.
Use "c" to copy, "d" to delete, "I" to insert. Can correct regular hours to sick and vacation hours.
Reallocation of dollars is based on percentage distribution – dollars must add up. Can continue to make

changes into screen 11 until you finalize the changes by completing a final enter to accept changes. Once the final enter is completed, cannot make any more changes that day unless you start over. Must wait until following day. F11 to exit the record without saving changes.

Screen 15 is for prior period corrections. There are stricter rules for changes in screen 15 – for example, can't delete hours. What is available – changing percentages between accounting templates:

50/50 split between two accounting templates to three templates 40/10/50

Can also change accounting template (must be valid accounting template on CPPS control table).

Screen 15 changes can also be flagged not to be sent to CORE. For example, if a JV has already been processed in CORE, may want to make changes on Screen 15 so that it matches the final CORE reports but do not want to create a document in CORE to make the changes.

Central Payroll created ZNI/ZNE earnings type for fringe no earnings/exempt earnings – net zero payroll entries.
ZNI – positive amount (Zero Net Include)
ZNE – negative amount (Zero Net Exclude)

Use ZNI/ZNE to reallocate just fringe piece. Better to do this in screen 11.

Source types within CLAS:

PR – payroll amount
RA – backs out for reallocation
TS – Timesheet records
MD – manual deletes
MA – manual adds
BA – balances the data (to balance out pennies differences) – auto created charges to last accounting template used.

Pass through data – provides all source data to PAM. 16 files created and fed into PAM. CLAS looks at employees classification (F – full time or T – temporary) to determine correct object code. Also include/exclude table (need more information about what this is).

PAM – Payroll Accounting Management (Reporting purposes only, per employee)

- Can't make any changes in this system, can't touch allocations
- Stores data at COA level based on how accounting templates are set up in CORE.

- Lose accounting template/profile information at this point. (Accounting templates and profiles are set up with COA elements that provide coding by fund/appropriation/unit/and other tables in CORE).
- Not possible to get accounting template/profile information from within PAM (or reports from PAM).
- CORE application
- Takes accounting template/profile information and distributes into chart of account data
- Allocates benefits based on template/profile Chart of Account elements
- Generates payroll documents automatically based on posting codes:
  PREXP – payroll expense documents
  PRLNP – net pay after all deductions documents
  PRLIA – all liabilities and deductions
  PRLID – agency defined liabilities (issue with this – see later notes)
  PREXC – screen 15 (CLAS labor allocations after period has closed) documents

Pass through data – Info Advantage reports are created (FIN-LDC-007 is a report used which provides data by payroll schedule by employee). Note: LDC reports in Info Advantage are not what is booked in CORE. FIN-LDC-007 report can be used to try to identify when reconciliation results in differences.

A labor allocation flowchart of all the systems is posted on the Central Payroll website, under Labor Allocation.

There are system checks for invalid accounting templates. PAM looks for dump accounts in the department and a report is created that show which employees were charged to the dump accounts.

There is a problem when an accounting template/profile is deleted or changed and is no longer valid. PAM assigns those employees with these errors to the dump account with default coding.

Additional information:

Key for correct information: job assignment screen has correct accounting template in CPPS. Make sure you are updating templates and have the correct percent distribution.

Job number is also important. Should utilize job number one, recommend deleting unused job screens. Currently, the system is going in and finding the first job number, even if that job number is not active nor the current job screen.

CLAS reports include job number and position number. Detail report 9910xx-Details will tell you how this information feeds into PAM.

CORE

Accounting Profile/Template Table – ACTPL is the accounting template table, ACTPR is the accounting profile table.

Chart of account elements within the accounting template are not validated.

CPPS template information is completely wiped and overlaid with new data that is input in CORE nightly. This control table houses the accounting profiles and templates. CPPS system checks for valid accounting template.

An accounting profile has multiple accounting templates within it. CDPHE and DPA are the only two departments currently using this. This is best when employees are funded by multiple sources. Predefined percentages by accounting template can be defined using the template to profile explosion. The CLAS process allows profile to explode into accounting templates.

Templates and profiles are now manually entered into CORE.

Important: CPPS check box must be checked for payroll accounting templates within CORE. The Active box must also be checked.

Do not delete or modify COA elements in templates. Create a new accounting template or profile. Recommend changing template description to "DO NOT USE".

Accounting templates and profiles will roll to next fiscal year unless you end date them. If you have your templates and profiles for the end of the fiscal year, you must extend that date in order to continue to use them.

The batch process behind the scenes will have errors which cannot be fixed when you change COA elements. Everything must match, not just the name of the accounting template.

Agencies should check for rejected documents: PREXP, PRLNP, PRLIA, and PRLID.

LA15

PREXC – document from screen 15 – posts in current period for past payroll.
PREXP, PRLIA, PRLID, PRLNP are documents that post in period when payroll was processed.

Document numbering for PREXC "E" – employee ID (without 997) then a sequential number (for Earnings records). Each employee, each record has a separate PREXC document per object code. There will be a corresponding "F" document number for fringe.

Posting codes for PREXC:

Dr. Cash
Cr. External cash expenditure

Event types:
HR62 – original line
HR60 – new posting debit lines

What to look for:
- Incorrect position number
- Timely approval of timesheet files
- Impact of changing/deleting accounting template
- Payroll clearing of AP 2233
- Balance sheet account greater than 2251 to central payroll (998A) instead of to departments, ITI documents will need to be completed by agencies. Directions will be provided.
- No earnings or excluded earnings posting – use of ZNI/ZNE.