



Financial Review Checklist

Activity Trainings

Preview Payroll

Table of Contents

- **Definitions**
- **FRC Activity Details**
- **Workday Parameters**
- **Analysis – Workday & Excel**
- **Follow-up Actions**
- **Contact Page**

Training Contents

In this training, we will be covering the Financial Review Checklist step *Preview Payroll*. We will be walking you through the step's *Objective, Focus On, and the Workday Reports*.

The walkthrough of the reports will include:

- The parameters used to run the report in Workday.
- The results that you would expect to see.
- How the report should be used in your analysis to operationally finish the objective of the step.

Definitions

- **Payroll Overpayments**

- Employee receives pay for period after termination or start of unpaid leave.
- Time entry error:
 - employee is paid for too many hours.
 - employee is paid for paid time off that was not available.
- Hourly rate or salary error in HR database leads to overpayment of hourly rate or monthly amount. (I.e., Compensation changes due to decrease in salary.)

- **Payroll Underpayments**

- Employee does not receive approved additional compensation in a timely fashion.
- Employee does not receive pay for period after return from leave.
- Time entry error:
 - employee is paid for too few hours.
- Hourly rate or salary error in HR database leads to underpayment of hourly rate or monthly amount.
- Other circumstances requiring research by Payroll and/or Human Resources representative.

Financial Review Checklist

Activity Details

Preview Payroll Checklist Step

Preview Payroll to ensure that salary expenses for the current period will be charged correctly when they are processed. This includes reviewing to ensure all extra compensation, leaves of absence, terminations, new hires and other salary related events have been allocated correctly. Recommend to run multiple times per month in line with payroll cycles/calendar.

Objective

To verify the accuracy of payroll expenses and charging allocations for the current period before posting to the general ledger.

To avoid over-payments as well as under-payments.

Focus On

1. Payroll earnings outside of normal salary/compensation, including, overtime, extra-compensation, etc.

2. Payroll related to change in status of worker such as leave of absence, termination, or promotion. Payroll related to new hires.

3. Review charging on labor suspense accounts. Follow-up to update your charging instructions before payroll is processed.

4. Payroll earnings/components typically not allowable on federally sponsored awards.

Workday Reports

Payroll Results Verification with Costing –Yale

Payroll Results Verification by Charging Cost Center – Yale

Related Resources: [Payroll Schedule](#) and [Procedure 3501 PR.04 Overpayments and Underpayments](#)

Workday Parameters

Two reports are needed to objectively complete the step.

Payroll Results Verification with Costing – Yale

Report Run/Parameters in Workday

- 1) Type Payroll Results Verification with Costing – Yale into the Workday Search Bar.
- 2) Organization: Highest level of Cost Center Hierarchy you are reviewing.
- 3) Periods: Pay period you are reviewing.
- 4) **Important: Include Subordinate Organizations:** Check this box if the organization you entered is NOT a leaf-level cost center.
- 5) Then click “Ok” at the bottom to submit the report.

1

Payroll Results Verification With Costing - Yale

Instructions Please note that payroll costing changes will not be reflected in this report until the payroll ar

2	Organization	*	<input type="text"/>	☰
3	Periods	*	<input type="text"/>	☰
4	Include Subordinate Organizations		<input type="checkbox"/>	
	Worker		<input type="text"/>	☰
	Employee Type		<input type="text"/>	☰
	Job Category		<input type="text"/>	☰

Filter Name

Manage Filters

Save

5



OK

Cancel

Payroll Results Verification with Costing – Yale


Report Results

- **Note:** Not all of the columns on this report can be used for filtering; therefore, you may want to export the results to Excel.






← Payroll Results Verification With Costing - Yale Actions  

Organization [HPCC4040 ENV Yale School of Environment](#) Include Subordinate Organizations Yes

Periods 02/01/2021 – 02/28/2021 (Monthly Payroll)





Export to Excel – click here 

712 items Turn off the new tables view

Journal Entry Lines

Worker	Supervisory Organization	Home Cost Center	Base Annual Salary	Pay Group	Budget Date	Payroll Result	Pay Component	Transaction Debit Amount	Distribution Percent	Grant	Gift	Yale Designated
--------	--------------------------	------------------	--------------------	-----------	-------------	----------------	---------------	--------------------------	----------------------	-------	------	-----------------

712 items es    

Cost Center	Program	Project	Assignee	Fund	Ledger Account	Costing Treatment	Journal Status	Employee ID	Job Profile	CC Hierarchy – Level 5 - Department	CC Hierarchy – Level 2 – Planning Unit
-------------	---------	---------	----------	------	----------------	-------------------	----------------	-------------	-------------	-------------------------------------	--

Payroll Results Verification by Charging Cost Center – Yale

Report Run/ Parameters in Workday

- 1) Type Payroll Results Verification by Charging Cost Center – Yale into the Workday Search Bar.
- 2) Organization: Highest level of Cost Center Hierarchy you are reviewing.
- 3) Periods: Pay period you are reviewing.
- 4) Then click “Ok” at the bottom to submit the report.

1

Payroll Results Verification by Charging Cost Center - Yale

Instructions Please note that payroll costing changes will not be reflected in this report until the payroll accounting p

2

Organizations *

Supervisory Organization

3

Periods *

Worker

Employee Type

Yale Designated

Grant

Gift

Cost Center

Program

Project

Assignee

Ledger Account

Filter Name

Manage Filters

Save

0 Saved Filters

4

OK

Cancel

Analysis - Excel

Analysis

Preparing the Excel File

After running both reports, we recommend downloading to Excel to perform detailed analysis.

Payroll Results Verification with Costing – Yale will be used to perform the review steps for workers with Home Cost Centers within your scope of access.

Payroll Results Verification by Charging Cost Center – Yale will be used to perform the review steps for workers with Home Cost Centers outside of your scope of access, but who are charged to you.

- You will need to filter *Payroll Results Verification by Charging Cost Center – Yale* to exclude cost centers that you have access to.

Overall Analysis

Verify payroll amounts and charging for 1) reasonableness and 2) accuracy in order to prevent after the fact payroll accounting adjustments.

Have there been comp changes?
Are they reflected correctly?

Does the transaction debit amount seem reasonable based on the base annual salary?

1

Journal Entry Lines

Worker	Supervisory Organization	Home Cost Center	Base Annual Salary	Pay Group	Budget Date	Payroll Result	Pay Component	Transaction Debit Amount	Distribution Percent	Grant	Gift	Yale Designated	Cost Center	Program	Project
Worker Name	Supervisory Organization Description	Home Cost Center Description	25,000.00	M Monthly	03/22/2020	Worker Name: 3/22/2020 (Regular) - Complete	Regular Salary Academic Pay	\$24,999.20	100%			Yale Designated Description	Cost Center Description	Program Description	Project Description
Total:									\$24,999.20	100%					

Overall Analysis

Verify payroll amounts and charging for 1) reasonableness and 2) accuracy in order to prevent after the fact payroll accounting adjustments.

Does the distribution percentage across the two COAs being charged seem accurate?

2

Journal Entry Lines

Worker	Supervisory Organization	Home Cost Center	Base Annual Salary	Pay Group	Budget Date	Payroll Result	Pay Component	Transaction Debit Amount	Distribution Percent	Grant	Gift	Yale Designated	Cost Center	Program	Project	Assignee
Worker Name	Supervisory Organization Description	Home Cost Center Description	48,000.00	M Monthly	08/31/2020	Worker Name Date-Complete	Regular Salary Academic Pay	\$2,666.80	67%		Gift Description		Cost Center Description	Program Description	Project Description	
				M Monthly	08/31/2020	Worker Name Date-Complete	Regular Salary Academic Pay	\$1,333.20	33%			Yale Designated Description	Cost Center Description	Program Description	Project Description	
								Total: \$4,000.00	100%							

Analysis

Items to review to complete this step

Columns to Focus On:

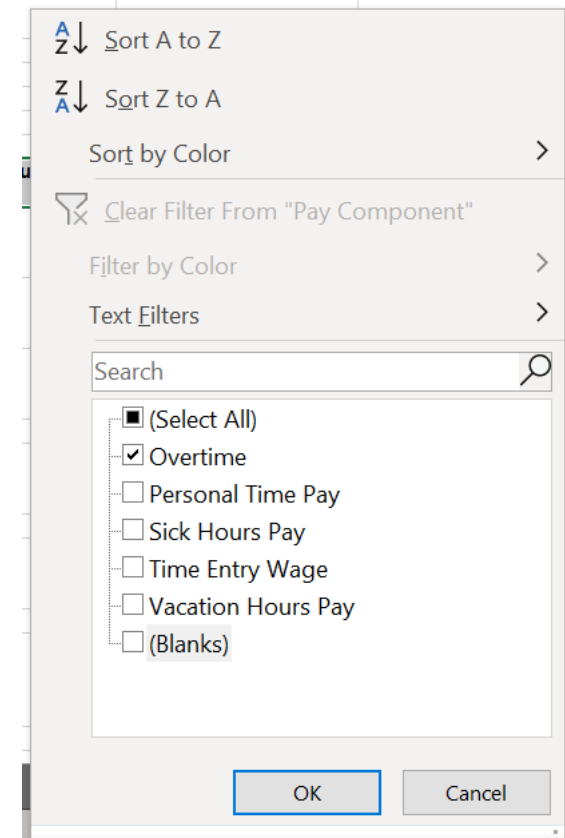
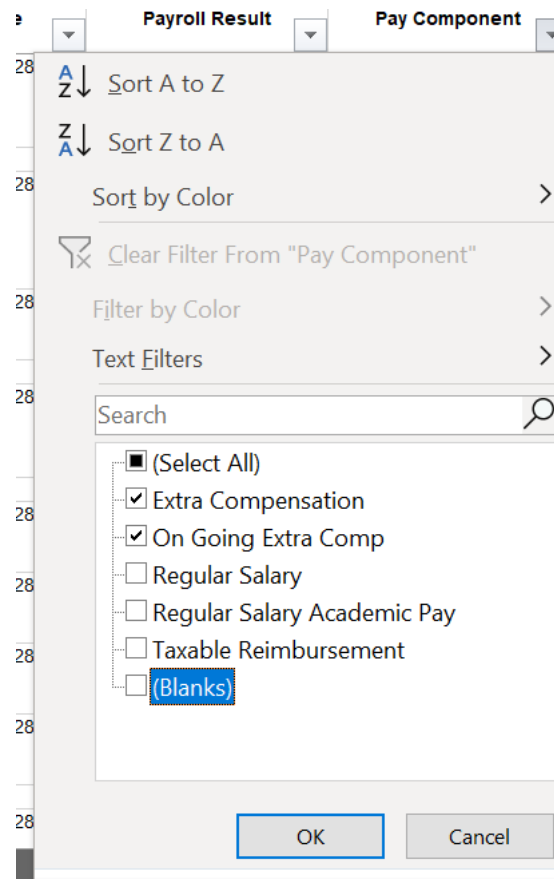
- **Worker:** In some cases, the Worker column will include information related to the worker's status – for example, if the worker has been terminated.
- **Home Cost Center:** The Home Cost Center column will help you identify which department to contact if corrections are needed to a worker's costing allocation.
- **Pay Component:** Pay Components will help distinguish "normal" kinds of pay, such as regular salary, from "supplemental" kinds of pay, such as additional compensation.
- **Program/Project:** Charges pending for "suspense" accounts will use a specific Program or one of several specific Projects.
- **Fund:** The Fund column will be used for a specific review related to federally sponsored awards.

As previously discussed on slides 15-16, it is important for you to review payroll amounts, including “normal compensation” like regular salary, for accuracy from an overall perspective.

On this slide, we will now focus on how to analyze pay components outside of “normal compensation”. These types of pay components may be less frequent and should be verified. On each report, filter the Pay Component column to *exclude* pay components representing normal compensation. Below is an example of what this might include. Review the data to ensure that these other types of earnings are expected for the employee.

Analysis

Focus On Step #1:
*Payroll Earnings
Outside of Normal
Compensation*



On each report, look for workers that have recently:

- Been hired
- Gone on leave
- Been promoted
- Terminated

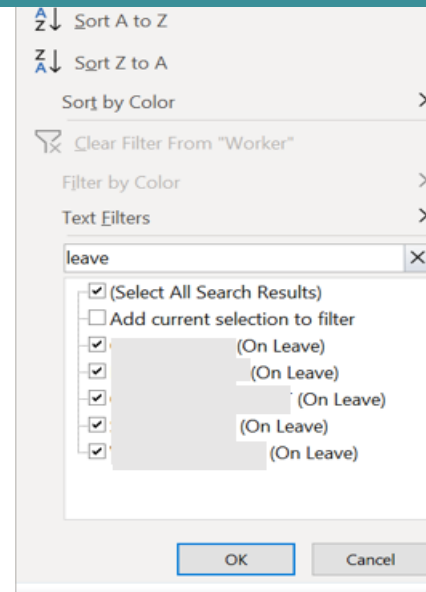


Review the pay for these individuals to ensure it is in line with expectations.

Analysis

Focus On Step #2: Payroll Related To Change in Worker Status

For some statuses, the information is included in the Worker column. Filter Worker for "leave" and "terminated" to find workers on leave and who have left the university.



Reviewers with HCM roles can use Business Process Transactions Completed – Yale to find employees with recent job changes.

Business Process Transactions Completed - Yale

Instructions Please select the business processes you would like from the Business Processes pro

Business Processes

- Add Academic Appointment
- Change Job
- Contract Contingent Worker
- Demote Employee Inbound
- Demote Employee Outbound

[MORE \(15\)](#)

Review report to identify worktags classified as suspense. Suspense is defined as charges that are not in their final destination. Suspense will include lines containing any of the program/projects defined below. Once you identify costing that is scheduled to hit suspense, determine if you can update the charging before payroll runs. Enter charging instructions appropriately for employees in your cost center, or work with the owning home department to update costing allocations.

Analysis

Focus On Step #3:
*Labor Suspense
Accounts*

On each report, filter the Program column to *include* PG99999.

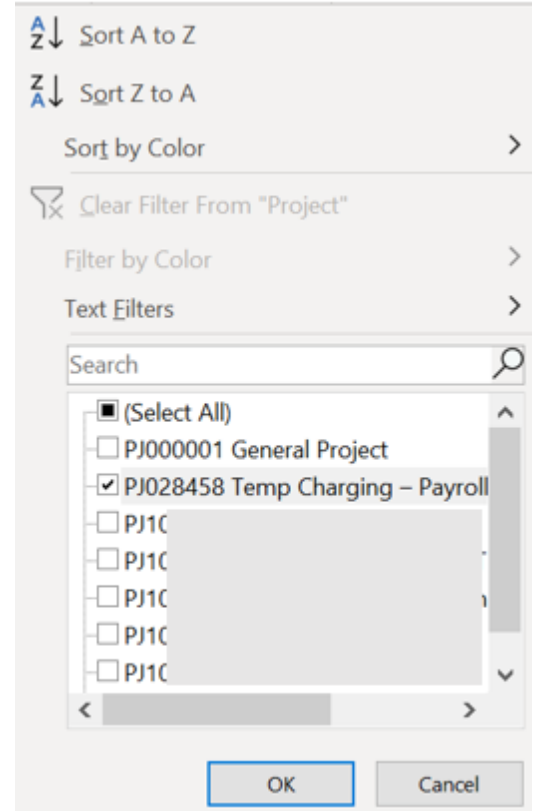


Then, on each report, clear the Program filter and filter instead on Project for these Projects:

PJ028458

PJ105201

Example:



Excel

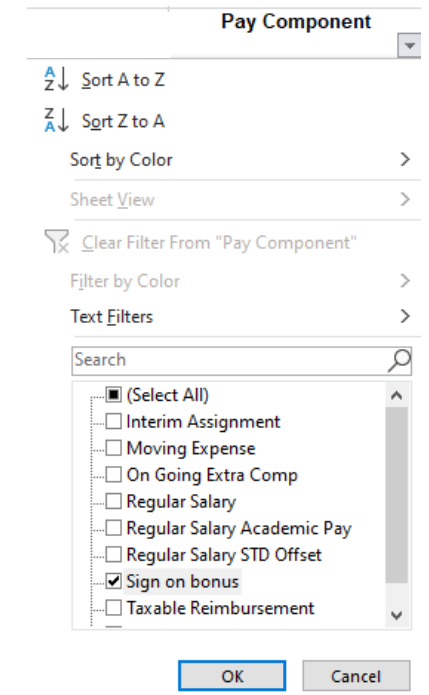
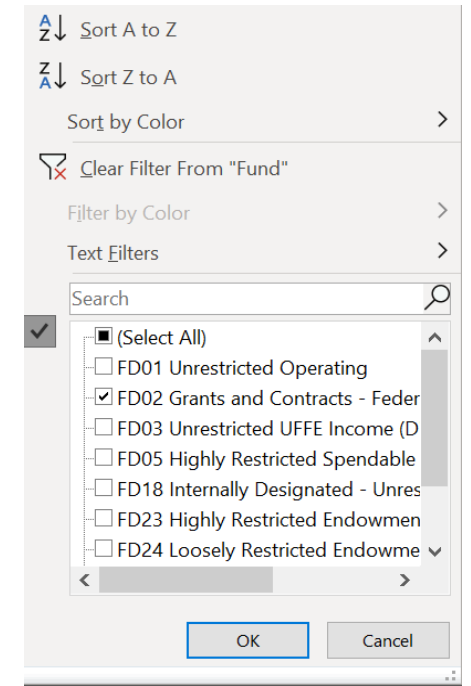
Analysis

Focus On Step #4:
Pay not Typically Allowed on Federal Grants

On each report, filter the Fund column to *include* FDo2.

Then, on each report, review the Pay Components for allowability on federally-sponsored awards.

For example, sign-on bonus is not allowable on federal funds.



Follow-up Actions

Follow-up Actions

The Payroll Results Verification reports provide an opportunity to correct charging and/or payments before they are fully processed.

- For example, if a worker's pay is scheduled to be charged to a "suspense" Program or Project, the worker's costing allocation can be updated to prevent this.
- If salary amounts or pay components are inaccurate, they can be fixed in order to prevent over or under payments.

After you have analyzed the data set, you may need to take one or more of the following steps:

- Update costing allocations to prevent charges from hitting suspense.
- Update costing allocations to prevent unallowable pay components from being charged to sponsored awards.
- Reach out to HR or Payroll to correct under- or over-payments.
- Reach out to HR or Payroll for questions about payments to terminated employees or other changes in worker status.

Contact Page

Payroll

(Employee Services)

- employee.services@yale.edu, 203-432-5552
- [Payroll Toolbox](#)
- [Payroll Schedule](#)
- [Monthly Payroll Reporting Cadence](#)

Office of Sponsored Projects

(Expenses funded by sponsored awards)

- 203-785-4689

Financial Compliance

(For questions on the FRC, this training, or internal control matters)

- financial.compliance@yale.edu

Controllers Office

(For policy and procedure interpretation, questions, and exception requests)

- controllers.office@yale.edu