



Automatic Data Processing, Inc.

ADP freedom

Payroll Process

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Chapter 1 – The pay cycle

A pay cycle, in ADP freedom, is the periodic payroll processing of a pay group, as scheduled by a pay calendar. The pay calendar identifies past, current and future pay periods for a pay group and the pay cycle operates for each, and every, individual pay calendar entry.

Each pay cycle is independent of another pay cycle, there may be many pay groups within a company and each one can be at a different stage in a pay cycle, indicating that there is no need for pay cycles to be synchronised.

The pay cycle, as indicated in Figure 1 below, consists of five phases of processing.

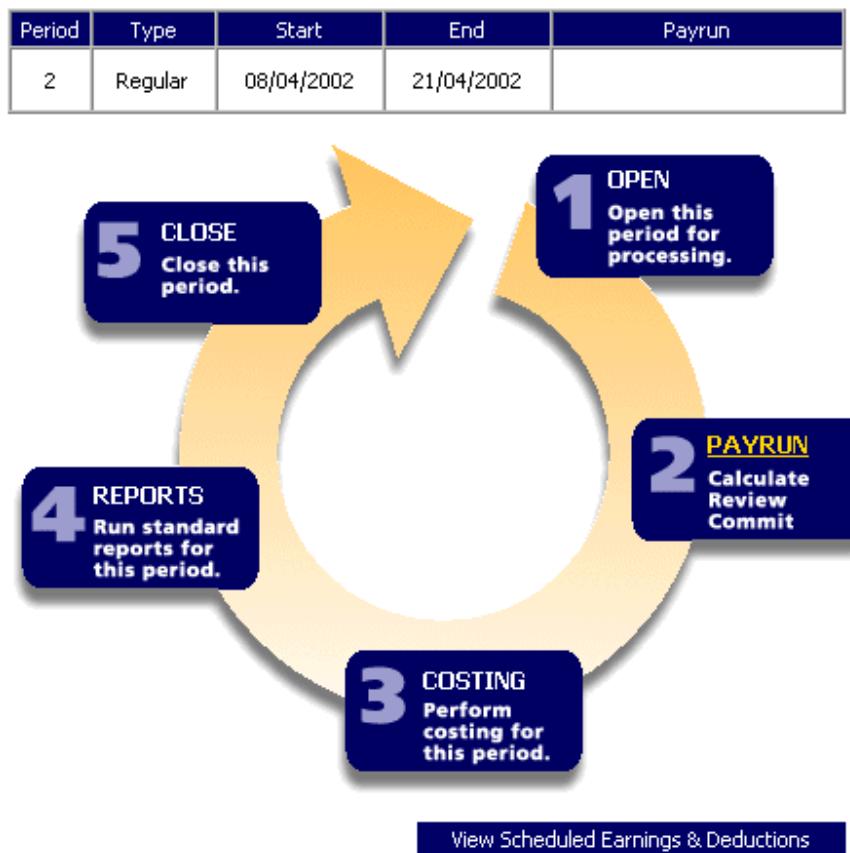


Figure 1 - 1 The ADP freedom pay cycle

The phases of the pay cycle process

Open

The first phase, **Open this period for processing**, is either done automatically, as soon as the previous pay cycle closes, or opened manually by the user. The exception to this is when it is the end of a tax year. In this instance the first entry of a new tax year is never opened automatically but requires the user to open it manually. This is to ensure that the year start process is completed at the correct time and the week 1 tax codes are updated.

Pay Data Entry

Note: *It is not recommended that parental payments, maternity pay; paternity pay etc, are made through PDE. Any adjustments to parental pay should be made through the appropriate override assistant, available from the associated Latest page as shown below:*

Rose, Maureen (EE167)

Your employee had her baby on Monday 2 August 2004.

Maternity leave

She is entitled to maternity leave starting from Sunday 1 August 2004 up to and including Saturday 30 July 2005.

Maternity pay

She is entitled to SMP.
The SMP Pay Period starts week commencing Sunday 1 August 2004.

Actions

- Suspend from payroll
- Pop up a detailed view of her maternity details
- Add to or change the details of her maternity
- Delete this maternity because it was input in error
- Override some of the SMP payments already made
- Prime with take-on data

Figure 1 – 2 Latest page

*If a number of parental payments have already been made outside of ADP freedom, then the details should be added via the **Prime with take-on data** menu item. See the **Absence Management guide** for more details.*

PDE Process

Note: *The Pay Data Entry (PDE) process, described below, is not reliant on the pay cycle being Open. PDE entry, batch creation, pay calendar association and PDE balancing can all be performed prior to opening the pay cycle. The only proviso is that this process must be completed prior to moving to the next pay cycle phase.*

- Ensure that all pay data information, required for the PDE entry process, is available. After you gather all of your pay data information, ensure that the amounts in your source documents have been totalled.
- If required, create a PDE grid. This step may not be required if a PDE grid that suits the requirements already exists.
- Create a PDE batch and associate the PDE with a pay calendar.
- Enter the pay data into the batch.
- Review and edit reports, amend the entries as appropriate.
- Balance the PDE and/or PDE batches.

Tip: *PDE batches are generated automatically by some ADP freedom components, e.g. the Backpay Processing assistant, Team TES and T&A modules. Separate user guides are available for these components.*

Payrun

Payrun, as used in ADP freedom, is a collective name for the steps in the pay cycle that calculate and disburse the employee's net pay and provide reporting information to the ADP services, these include BACS export creation, payslip file production and billing information.

The payrun phase includes the processes listed below:

- Combine the pay calendar entries into a payrun
- Calculate the payroll
- Run, review and verify the payroll
- Correct any errors, if required, and recalculate the payroll
- If required, run, review and verify the payroll
- Commit the payroll.

Costing

This phase of the pay cycle associates each element of the processed payroll to the designated general ledger account that has been identified as being liable for that cost.

Reports

If required, you can choose to print payroll reports as local records of payroll transactions. To do this the user would:

- Select the required reports
- Run the reports
- View the reports
- Print the reports.

Close

ADP freedom automatically closes the pay cycle and opens (unless, as explained above, it is the tax year end) the next regular pay period.

Creating a special payrun

A special payrun is one that is created to process payments that are defined in Pay Data Entry (PDE).

Chapter 2 – Open a pay period

ADP freedom automatically opens a new pay period whenever a previous pay period is closed, except at the tax year end when the pay period must be opened manually. The newly opened pay period becomes the current pay period for the company and pay groups that are selected.

To begin the pay cycle process, enter the current pay period using the following procedure:

- From the main menu list, select **Payment > Payroll Processing > Pay Cycle** to open the **Pay Cycle** page, shown in Figure 2 - 1

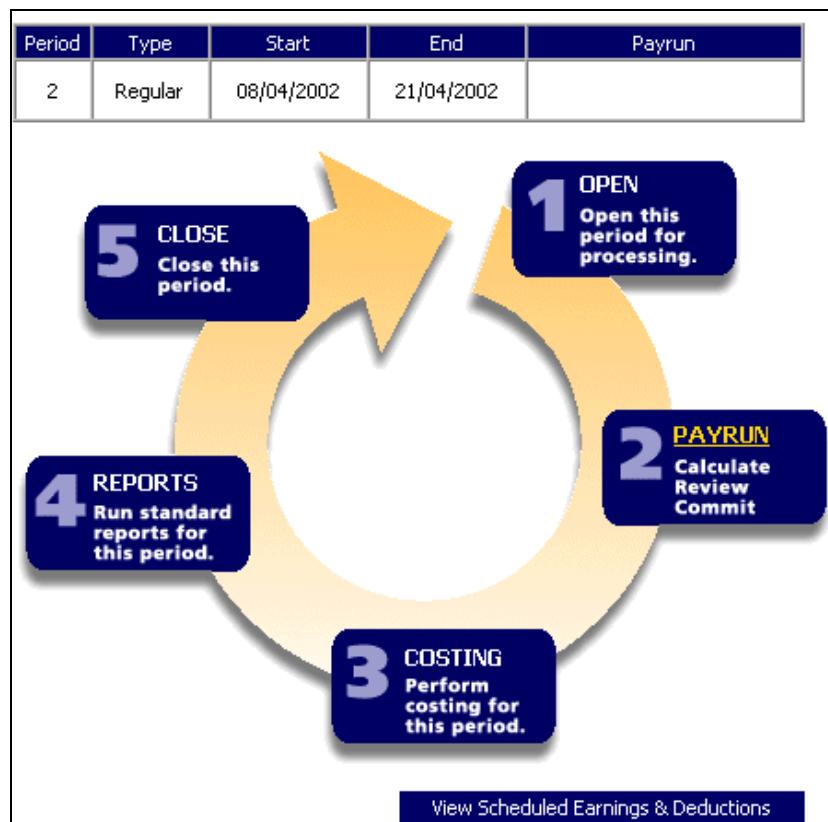


Figure 2 - 1 The ADP freedom pay cycle

- From the selection pick list, select the company, pay group, pay period (**Past, Current or Future**) and year for the pay period that is to be opened. A list of available pay periods will be displayed below the selection list.

*Note: If this is the first time that a pay period is opened for a company, the selection from the Pay Period field must be **Future**.*

- From the list provided, select the pay period that is to be opened
- On the **Pay Cycle** diagram, click **Open**.

Create a payrun

The pay calendar that was created during the implementation process identifies the pay periods that a company processes. A payrun identifies which pay calendar entries are processed for each pay period.

A payrun effectively contains pay calendar entries that share the same tax period. The **Payrun Setup Assistant** is used to assign payruns to pay periods.

Guidelines for creating a payrun

The following bullet points should be considered when creating a payrun:

- All pay groups in a payrun must have the same tax period
- All pay groups in a payrun must share the same frequency basis. For example, weekly pay groups cannot be included in the same payrun as monthly based pay groups.
- Payruns can include different pay groups in different business units or companies. Creating a payrun
- From the main menu list, select **Payment > Payroll Processing > Payrun Control** to open the **Payrun Control** page (see Figure 2 - 3)
- Click on **New Payrun** to open the **Payrun Set-up Assistant**.
- Select a payment date and click on **Next**.

Tip: If you set up a pay period with a Process Date that is before the current date a warning message appears and you are prompted to select a Late PAYE Reporting reason which is required by HMRC on the RTI FPS submission. See page 4-2 of the HMRC Real Time Information (RTI) User Guide for further information.

Company	Pay Group	Year	Period	Type	Status
BMS Help Team	Head Office Six Monthly	2002/03	26	Regular	Open

Figure 2 - 2 Payrun setup assistant

- Highlight the pay groups that are to be included in the payrun and click on **Next**.

Note: At least one pay group must be selected to proceed with the process.

- In the **Payrun Description** field, enter a descriptive name for the payrun and click on **Finish**

*Note: The payrun description that is used is printed on payroll reports. The description should be short and specific to ensure that it is printed correctly. If a name is not entered, the description will default to the tax year, followed by either the word **Week** or **Month**, (depending on the pay frequency) followed by the period number, followed by a 4 digit number starting at 001 and increasing by 1 for each row added to that tax year/period number. For example, If the payrun was **Period 1** based on a frequency of **Weekly** then this would default to a Payrun description of **2003/2004 Week 1 – 0001**.*

Payrun	Payrun Status	Last Event	Calculate	Review	Commit
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



1

CALCULATE THE PAYROLL
Calculate the pay for all of the employees in the Payrun.



2

POST-CALCULATION REVIEW
Review the results of the calculations before committing them to the database.



3

COMMIT THE RESULTS
Update the database with the results.

Please review the [Activity Log](#) for further information:

- **0 Errors**
- **0 Warnings**
- **0 Information Messages**

Use **Payrun Maintenance** to maintain the Pay Groups included in this Payrun.
Pay Groups in this Payrun

Company	Pay Group	Period	Suffix

Figure 2 - 3 Payrun control page

The Payrun Control page

The Payrun control page is accessed via the main menu, **Payment > Payroll processing > Payrun Control**. The **Payrun Control** page is used to review the progress of payruns, start the payrun assistant, review and commit the results, and view the activity log.

To ensure the integrity of the payroll processing, users must be granted the authority to use each of the three stages of the payrun process separately i.e. Calculation, Review and Commit. So, for example, you may be granted the authority to initiate the payrun calculations and review the results, but not commit the payrun details.

*Note: If any pay group has been omitted from a payrun, the **Payrun Setup Assistant** can be used to include the missing group or groups.*

Any changes that are made to an existing payrun can cause the status to be reset. If this happens, the payrun will require recalculating prior to committing.

*Note: Collating the source documents and processing Pay Data Entry (PDE), as described below, is not reliant on the pay cycle being **Open**. Source document troubleshooting, PDE entry, batch creation, pay calendar association and PDE balancing can all be performed prior to opening the pay cycle. The only proviso is that this process must be completed prior to moving to the next pay cycle phase of running the Payrun.*

Source documents

Source documents are the original forms that are used when recording pay information, for instance, time sheets. Prior to entering pay data into ADP freedom, these source documents should be assembled and the amounts totalled ready for pay data entry into ADP freedom.

Troubleshooting errors

Note: The totals from source documents can be of help when trying to locate batch entry errors.

Enter the totals from the source documents into the **Expected Total** column of the **Batch Totals** area of the PDE grid. When employee pay data is entered, ADP freedom calculates the totals and compares the entered amounts with the expected totals. If the amounts differ, the batch is out of balance and the **Difference** column shows the discrepancies. If there are discrepancies, it may be due to inputting errors or calculation errors on the source documents. These errors should be rectified before proceeding to the next stage.

Creating a pay data entry grid

Reviewing the types of information in the source documents assists in identifying the pay data categories that are required for **Pay Data Entry** (PDE). When creating the PDE grid, this information should be used to select the columns to include in the grid. The columns should be arranged to match the sequence of the source documents, this precaution assists in accuracy and speed of data entry.

In ADP freedom, PDE grids are used to enter payroll information. Each grid is attached to a pay data batch and pay data information is entered into the grid columns.

Setting up grids correctly can simplify pay data entry, for example, a grid could be created that contains fields purely related to hourly paid employees. This grid could include columns for overtime earnings and double time earnings.

Note: A PDE grid can also be used to define a template that can then be used to import pay data from a file that contains the pay data in the grid format e.g. a spreadsheet file. See the separate *Pay Data Import* manual.

Types of grid

In ADP freedom, there are two types of PDE grid, **Fixed** and **Variable**. The difference between the two grids is the types of earnings and deductions that can be displayed and entered. The table below defines the two PDE grids.

Table 2 - 1 Types of PDE grid

Grid type	Description	When to use
Fixed	<p>Specific earnings and deduction types are selected to be included in the grid.</p> <p>Only pay data for the specific types of earnings and deductions can be entered.</p> <p>To enter pay data for other earnings and deduction types, the grid must either be changed or an additional grid must be used.</p>	<p>Used for pay groups that include only a small amount of earnings and deductions for all employees.</p> <p>Also used to prevent the user who is entering the pay group's payroll data from accessing certain types of earnings and deductions data.</p>
Variable	<p>The grid earnings and deductions are generic, not specific.</p> <p>Pay data for all types of earnings and deductions that have been defined for ADP freedom can be included.</p>	Used for pay groups where employees receive a variety of earnings and deductions types.

Example of a fixed grid

The screenshot shows the ADP Pay Data Entry interface in Microsoft Internet Explorer. The top header displays 'Pay Data Entry - Microsoft Internet Explorer' and 'Batch Details: Geneva Video Games / Dfsdf / Period 1 (2001) Jan 02, 2001 - Feb 15, 2001 / XYZ - Xyz'. Below this, 'Current Employee Details' show 'Blake, Diane (52 / 001 - Active) Administration - CA - Accountant'. On the left, a sidebar titled 'Current Employee' lists employee details: Last name (Blake), First name (Diane), Payroll status (Active), Employee status (Active), Position type (Salary), Employee code (52), Social security # (478-99-6666), Automatic pay (No), Rate frequency (Rate), Rate (Active EE's not in grid), and Current Period details. The main area contains a grid table for 'Employee' with columns: Employee Code, Name, Executive Bonus, Bonus, Commission, and Holiday. A row for employee code 52 and name Blake, Diane is shown. Below the grid is a 'Batch Totals: In Balance' table with categories: Earnings, Deduction, and Garnishment, showing actual totals, expected totals, and differences of 0.00 for each.

Employee					
Employee Code	Name	Executive Bonus	Bonus	Commission	Holiday
52	Blake, Diane				

Batch Totals: In Balance				
Category	Quantity	Actual Total	Expected Total	Difference
Earnings	Amount	0.00	0.00	0.00
Deduction	Quantity	0.00	0.00	0.00
Garnishment	Amount	0.00	0.00	0.00

Figure 2 - 4 Fixed grid example

Figure 2 - 4 above, is an example of the PDE page with a fixed grid. The grid will have fixed column content and column sequence across the grid (like a spreadsheet). For example, each earnings defined for the company has its own set of columns in the grid.

Example of a variable grid

The screenshot shows the ADP Pay Data Entry (PDE) software interface. On the left, there is a sidebar titled "Current Employee" containing the following information:

- Last name: Smith
- First name: Kristen
- Payroll status: Active
- Employee status: Active
- Position type: Salary
- Employee code: 44
- Social security #: 757-45-5482
- Automatic pay: Yes
- Rate frequency: Weekly
- Rate: Active EE's not in grid
- Current Period details

Below the sidebar is a "Batch Details (READ ONLY)" section showing:

Geneva Video Games / Kristen Pay Group / Period 2 (2001) Sep 08, 2001 - Sep 14, 2001 / JOBO - JO BOSS
Current Employee Details:
Smith, Kristen (44 / 001 - Active) Compensation - Administrator

The main area contains two grids:

Employee		Earnings			Deductions
Employee Code	Name	Earnings Code	Earnings Description	Earnings Amount	Deduction Code
44	Smith, Kristen	B	Bonus	100.00	
46	McWilliams, Kelly	OT	Overtime	250.00	
47	Zagey, Layla	B	Bonus	200.00	

Batch Totals: In Balance				
Category	Quantity	Actual Total	Expected Total	Difference
Earnings	Amount	550.00	550.00	0.00
Deduction	Quantity	0.00	0.00	0.00
Garnishment	Amount	0.00	0.00	0.00

At the bottom of the screen, there are buttons for Management, Autobalance, EE Overrides, Save, and Close.

Figure 2 - 5 Variable grid example

Figure 2 - 5 above, is an example of the PDE page with a variable grid. No specific earnings types are displayed. Any earnings type that have been defined for ADP freedom can be selected by pressing F4 with the cursor in the **Earnings Code** field.

Guidelines for planning and configuring PDE grids

When configuring PDE grids, the following should be considered:

- A PDE grid must always contain a column for the employee code. However, the employee forename and surname do not have to be included.
- Fixed grids cannot be modified by adding columns. If columns need to be added, the grid will have to be deleted and recreated. For more flexibility a variable grid should be used
- If all employees within a batch have earnings and deductions in the same categories it may be easier to use a fixed grid. With a fixed grid, a single column can be created for each specific earning, deduction or override. However, if earnings categories for each employee vary it may be easier to use a variable grid. The variable grid allows each specific category of earning and deduction to be selected as required
- The company's security policy may determine which grid is to be used. For example, a payroll supervisor in a large company may create a fixed grid for a pay clerk to use. The

pay clerk would only be able to enter specific earnings and deductions types and would not be able to enter additional pay categories.

- Once a PDE grid is created it can be used with more than one PDE batch.

The PDE Grid Assistant

Custom PDE grids are created using the **PDE Grid Assistant**.

The PDE Grid Assistant

The **PDE Grid Assistant** is launched directly from the menu by selecting **Payment > Pay Data > PDE Grid Assistant**.

From the selection pick list, select the relevant company.

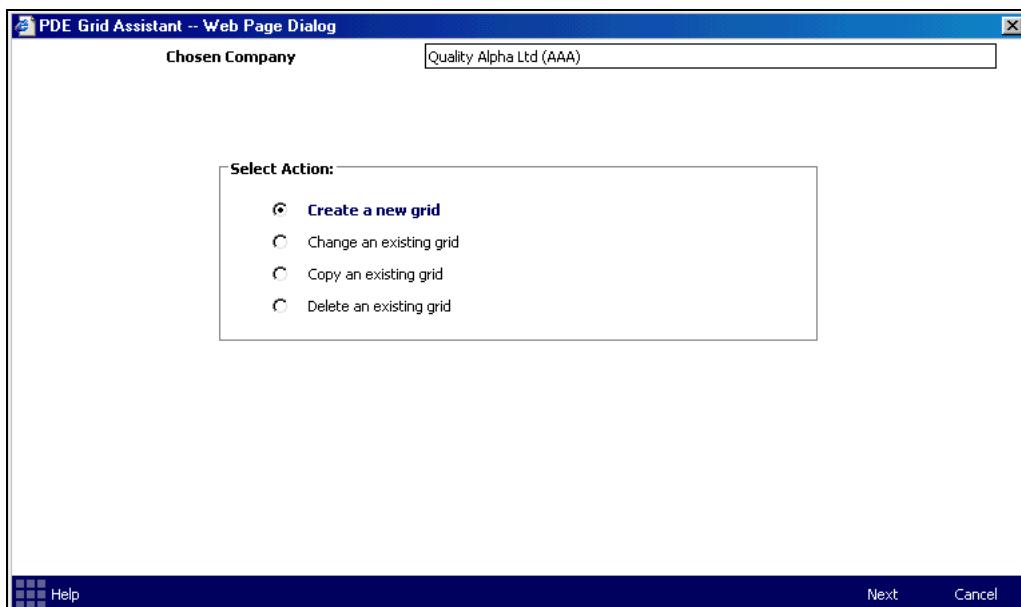


Figure 2 - 6 PDE Grid Assistant first page

The first page of the PDE assistant gives the four options as shown:

- Create a new grid
- Change an existing grid
- Copy an existing grid
- Delete an existing grid.

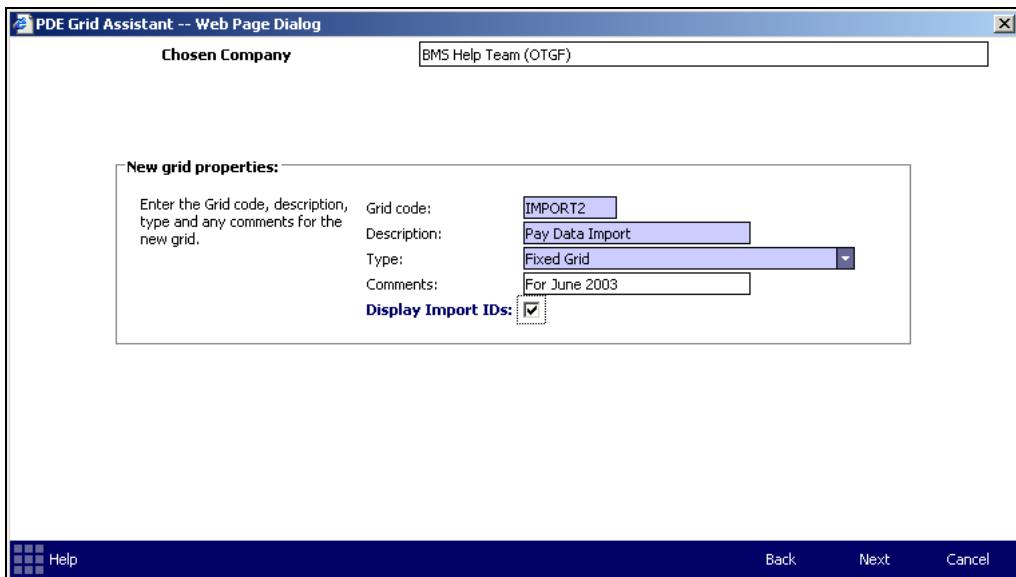


Figure 2 - 7 PDE Grid Assistant second page

The second page provides the following fields:

Field	Description
Grid code:	This must be a unique code, provided by the user.
Description:	This should be a short description of the intended use of the grid.
Type:	The type of grid, Fixed or Variable , is selected from the drop down list. Refer to the Table Types of PDE grid , on Page 2 - 5 for the definitions of grid types.
Comments:	This field is available for the user to add any additional comments that may be required.
Display Import IDs	If this box is checked, the grid is to be used as an import grid. The grid will have an additional column where you can map the imported codes to freedom codes.

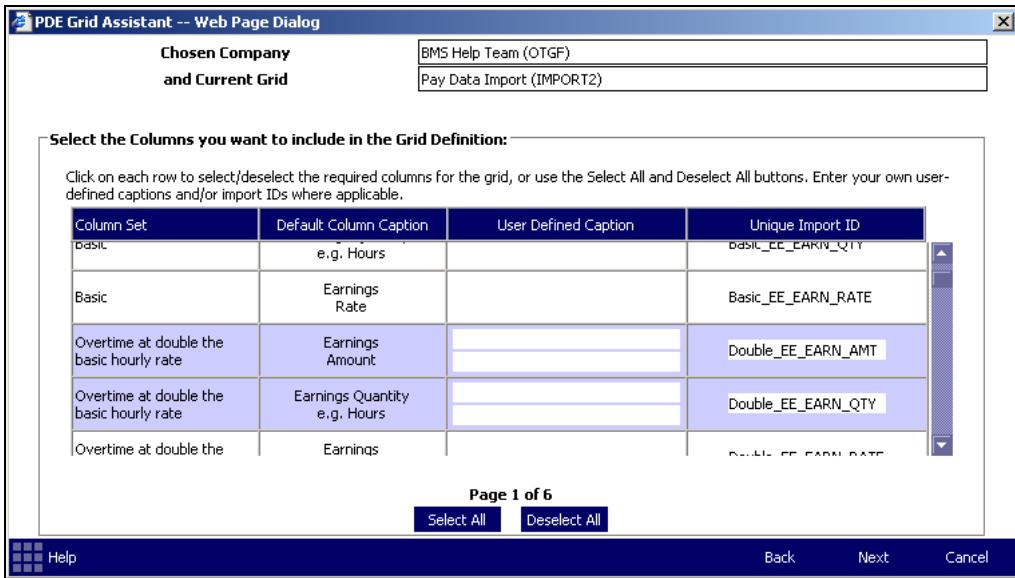


Figure 2 - 8 PDE Grid Assistant third page

Configuring a PDE grid

- From the menu list, select **Payment > Pay Data > PDE Grid Assistant**
- From the selection pick list, select the relevant company, the **PDE Grid Assistant** opens
- In the **Select Action** area, select **Create a New Grid**
- Click on **Next**
- Enter a unique grid code and a short description of the grid
- In the **Type** field, select either **Fixed** or **Variable**. Refer to the table, **Types of PDE grid**, on Page 2 - 5 for the definitions of grid types.
- If required, complete the **Comments** field
- Click on **Next**
- Define the grid by selecting each individual column as follows:
 - In the **Column Set** column, select a set
 - If required, type a new caption into the **User Defined Caption Line 1** and **User Defined Caption Line 2** fields
 - Click on **Next** to go to the next page of columns
 - Once all required columns have been selected click on **Next** to display the **Select column sequences** page
- If any of the selected columns need to be moved so that they appear earlier or later in the grid, select the relevant column and click on either **Move Up** or **Move Down**
- Once all columns are sequenced as required, click on **Next**

- Review the grid to ensure that all the required columns are in place and that they are sequenced correctly, then click on **Next**
- On the **Finished** page, click on **Finish**
- When prompted, select either **No**, to exit the assistant, or **Yes**, to create another grid.

Pay data entry batches

A PDE batch is a logical grouping of employees (for example, all the employees from a business unit) that must be created before their employee pay data can be entered. Once the PDE grid and PDE batch are created for the entry of pay data, the employees that are to be included in the PDE batch must be selected.

Guidelines for selecting employees for a PDE batch

Prior to selecting employees to include in a PDE batch, consider the following:

- Batches are created according to payroll requirements. For example, pay data entry can be batched for particular groups of employees in the company, such as all the sales reps in the sales department
- Several small batches of employees are easier to work with than one large batch. Smaller batches allow easier detection and correction of errors during pay data entry
- Use selection criteria to determine which employees to include or exclude from a batch. Employees can be selected using simple selection criteria, (selecting employees from a list and saving an employee set) or complex criteria, by using the **Criteria Manager** to create selection criteria statements.
- Groups of employees can be saved as Employee Sets and reused using the **Employee Set Manager** option provided as the PDE batch input facility.

Creating a PDE batch

Use the following procedure to create a PDE batch:

- From the ADP freedom main menu, select **Payment > Pay Data > Pay Data Entry**
- From the selection pick list, select the company, pay group, pay period and year, for which the batch is to be created. A full list of pay periods is displayed below the selection list
- Select the open period for the new batch
- Click on **New Batch**
- Complete all the required fields and any remaining fields as necessary

*Note: If help is required on completing any of the fields, click on **Help**, and select **I need help on a field**, from the resulting help window.*

- Click on **Save Batch**.

Including employees in a batch

Use the following procedure to include employees in a batch:

- From the ADP freedom main menu, select **Payment > Pay Data > Pay Data Entry**
- From the selection pick list, select the company, pay group, pay period and year, for which the batch is to be created. A full list of pay periods is displayed below the selection list
- Select the relevant open pay period
- Click on **Open this Batch** to open the **Select Employees** window. The window lists all employees in the pay group that was selected earlier
- Select the employees that are to be included in the batch. For more information on including employees in a batch, see the on line help.

Entering pay data into a grid

Once all employees who are to be included in the grid have been selected, pay data entry can begin. Complete each column, as required, for every employee in the grid.

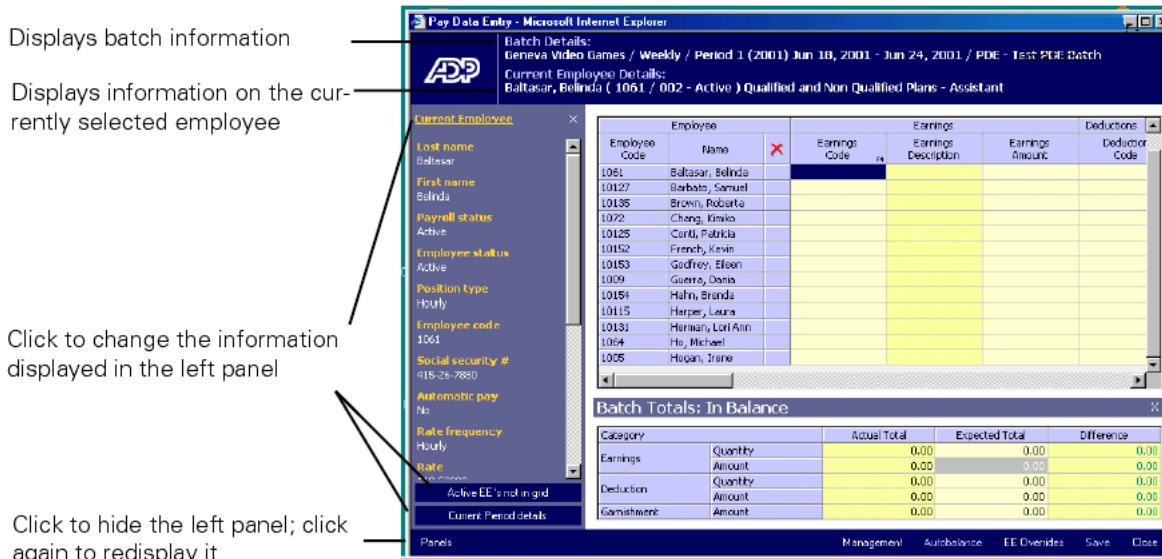


Figure 2 - 9 Entering data into the PDE grid

Use the arrow keys to move to move between the input cells on a row, or click in the cells. At the end of the row (or any time), press Return to move to the beginning of the next row.

Note: You can **Save** and **Close** the batch at any time and return to it later.

Lookup Feature

Some columns allow you to select a valid value from a selection list. This is indicated by the F4 that appears in the column heading.

Click F4 in the cell to display a lookup dialog that lists the valid codes available. Click on the required code to select it and click OK to return it to the cell.



Source document totals

The totals from the source documents can be entered into the **Expected Total** column of the **Batch Totals** area of the form. These totals provide an easy and quick way to identify, and correct, batch entry errors.

As pay data is entered into the grid, ADP freedom compares the **Expected Total** column to the **Actual Total** that has been calculated from the grid entries. If the totals match, then the grid is **In Balance** and the calculations can proceed. Differences in the totals indicate that there may have been an input error and that the relevant figures require correcting before the payrun can be committed to the ADP freedom database.

Entering pay data for automatic standard pay employees

If all employees in a batch are paid automatically, for example, those that are on a monthly salary that is paid at the same rate each month, pay data entry is not required and the payroll can simply be calculated. However, if changes are made to any regular pay element (rate, hours or earnings) for an automatically paid employee then automatic standard pay is cancelled and the employees pay data must be manually entered.

Balancing the batch

Once all pay data is entered into the grid then the batch must be balanced and saved, this is a prerequisite before the batch can be committed to the database and the payrun completed.

Discrepancies between the source documents and the totals calculated from the grid entries can assist in locating and correcting batch entry errors.

*Note: In exceptional circumstances ADP freedom can be forced to balance the batch. Clicking on **Auto balance** changes the **Expected Total** column to read the same as the **Actual Total** column, thus balancing the batch. This facility should not be used in normal circumstances and any discrepancies should be investigated to find the cause.*

Troubleshooting balance errors

If the batch is out of balance, the relevant pay data entries should be reviewed and any errors corrected. The **PDE Batch Summary** report or the **PDE Batch Details** report can be used in assisting error detection and correction. See Chapter 4 [Payroll Reports](#), for more information.

Chapter 3 – Payrun (Calculate the payroll)

Once payroll information has been entered and balanced, and any pre-payrun activities have been completed, the payroll is ready to be calculated.

The Payrun calculation consists of the following steps:

- Calculate the payroll
- Review the results and correct any errors
- Commit the payroll.

A user must be granted specific access to each of these functions through the User Security page to be able to perform them. This enables tight security to be applied. For example, one user may be granted the authority to calculate and review the results but not commit the payroll, whilst another user is granted the authority to review the results and commit them.

Each of these processes is made up of sub tasks which are explained in the following pages.

The payrun process is initiated in one of two ways, firstly, from the **Pay Cycle** page, by clicking **Payrun**, and secondly, from the main menu by selecting **Payment > Payroll Processing > Payrun Control**.

Payrun	Payrun Status	Last Event	Payrun Cut-Off
2007/08 month 11 - 0001	Re-calc required	Calculate Pay ended unsuccessfully	

Have you completed your [pre-payrun activities](#)?

1 [CALCULATE THE PAYROLL](#)
Calculate the pay for all of the employees in the Payrun.

2 [POST-CALCULATION REVIEW](#)
Review the results of the calculations before committing them to the database.

3 [COMMIT THE RESULTS](#)
Update the database with the results.

Please review the [Activity Log](#) for further information:

- [4 Errors](#)
- [6 Warnings](#)
- [0 Information Messages](#)

Use [Payrun Maintenance](#) to maintain the Pay Groups included in this Payrun.
Pay Groups in this Payrun

Company	Pay Group	Period	Suffix
Bond Enterprise	Monthly	11	

New Payrun View Reports Cancel Payrun Release Preview Make PCR Available Set Cut-off

Figure 3 - 1 Payrun control page

The Payrun Control page displays the status of the current payrun. As each process is completed, a checkmark appears alongside the process name and in the checkboxes at the top of the page.

If pre-payrun activities are required for the payrun, a link to these is provided above the three steps.

Pre-Payrun Activities

Note: Only authorised users who have been granted the **Payrun Access – Calculate** authority on the User Security page can perform the pre-payrun activities.

Pre-payrun activities are those tasks that should be performed prior to calculating the payroll because they will have an impact on the amounts paid to each employee. These activities include accepting time and attendance records and sick pay processing.

The pre-payrun activities link appears if these activities apply to the payrun selected. When this option is selected, the Pre-Payrun Activities page appears.

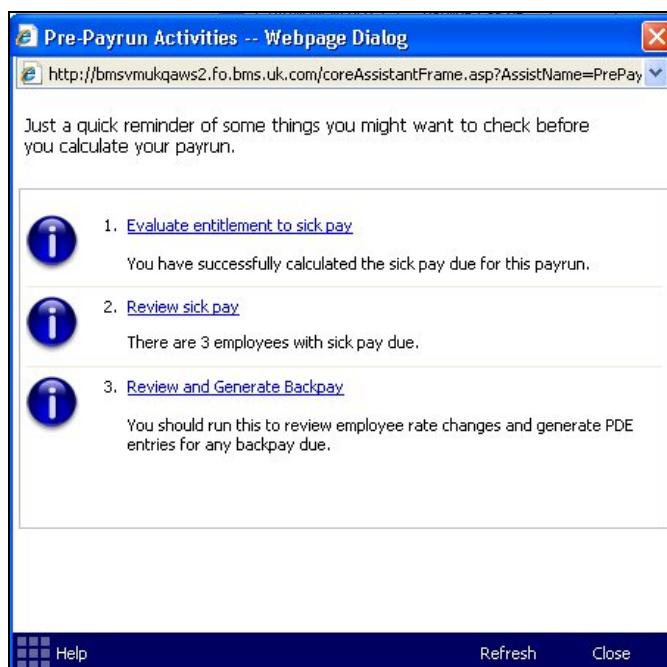


Figure 3 - 1 Pre-payrun activities page

This page identifies the status of each pre-payrun activity for the payrun. It also provides a link to the page for the activity required e.g. to review timecards or evaluate sick pay.

See the **Time & Attendance User guide**, **Absence – Sickness Benefits guide** and **Backpay Processing guide** for more details on these activities.

Calculate the payroll

Note: Only authorised users can access the Calculate the Payroll option on the Payrun Control page (see Figure 2 - 3 Payrun control page). These are users who have been granted the **Payrun Access – Calculate** authority on the User Security setup.

On selecting **Calculate the Payroll**, ADP freedom automatically completes the following tasks for the current pay calendar entry:

Table 3 - 1 Calculating the payroll

Task	Description
Retrieves PDE data for the payrun	<p>Reviews the PDE data:</p> <ul style="list-style-type: none"> • If the balance is incorrect, or other errors exist, then the payrun stops • If no errors exist, then the data is passed to the calculation process
Generates automatic standard pay	<p>For each automatic standard paid employee profile, ADP freedom creates an earnings transaction using the earnings codes that have been selected for automatic standard pay. Employee standard hours are used in the advised quantity field and the employee's base hourly rate is used in the rate field.</p> <p><i>Note: If any PDE entry affects the employees' regular pay elements then automatic standard pay does not happen for the given earnings code.</i></p>
Generates any other earnings that are scheduled	ADP freedom creates transactions for the employees' scheduled earnings. These transactions are based on earnings definitions and employee earnings override entries.
Generates court order and voluntary deductions	ADP freedom creates transactions for the employees' scheduled deductions. These transactions are based on deduction definitions or employee deduction override entries. These deductions include court order deductions.
Calculates gross	ADP freedom uses PDE, automatic standard pay and other earnings transactions to calculate pay. The taxable wage per earnings is also calculated here.
Calculates court order, voluntary deductions and taxes	ADP freedom uses the deduction, court order and tax transactions that are generated from PDE, automatic standard pay and other earnings and gross pay calculations to calculate amounts.
Applies deductions to gross pay to calculate net pay	Subtracts any deduction amount from employee gross wage to calculate a net pay total.
Calculates disbursements	Using the rules that have been set up for each employee, divides the net pay into the appropriate methods of payment (BACS or cash).

Workplace Pension Reform Additional Payrun Processing

Where the Workplace Pension Reform component is in use, Payrun performs additional processing to assess and enrol employees in a pension if required. It:

- Identifies all the employees in the payrun who require assessment, including those due for re-assessment if their enrolment was postponed
- Assesses these employees age, country of employment and qualifying earnings to identify the **eligible jobholders** i.e. those who need to be enrolled in the default pension scheme
- Enrols these eligible jobholders in the default pension scheme
- Generates the employee and employer pension contribution deductions for the enrolled eligible job holders
- Unenrolls any employees who have opted out of a pension scheme during the payrun period
- Refunds any employee and employer pension contribution deductions for the employees who have opted out
- Adds the details to the Audit trail.

Note: Although each employee's initial pension deduction is calculated and shown as a deduction, it is not actually paid to the pension provider until the opt out period has expired i.e. it is not included in the BACS file generated by the payrun.

Refer to the *Workplace Pension Reform Processing Guide* for further information.

Verify the payroll

The payroll must be verified prior to the commit process, in particular the gross and net pay calculations should be checked to ensure that they are correct.

At this stage, accumulators have been updated for calculation purposes only. No actual funds have been transferred. However, after a payroll is committed, accumulators are actually updated, tax, BACS payments, court orders are all processed and transfers made, it is therefore much easier to correct any errors prior to commit.

The payroll can be reviewed in three ways:

- The **Activity Log**
- The **Post Calculation Assistant**
- Printed reports.

The activity log

Note: Only authorised users who have been granted the **Payrun Access – Calculate** authority on the User Security page can access the Activity Log.

To view the activity log reports, select **Payment > Payroll processing > Payrun Control** to open the **Payrun Control** page, and click on **Activity Log**.

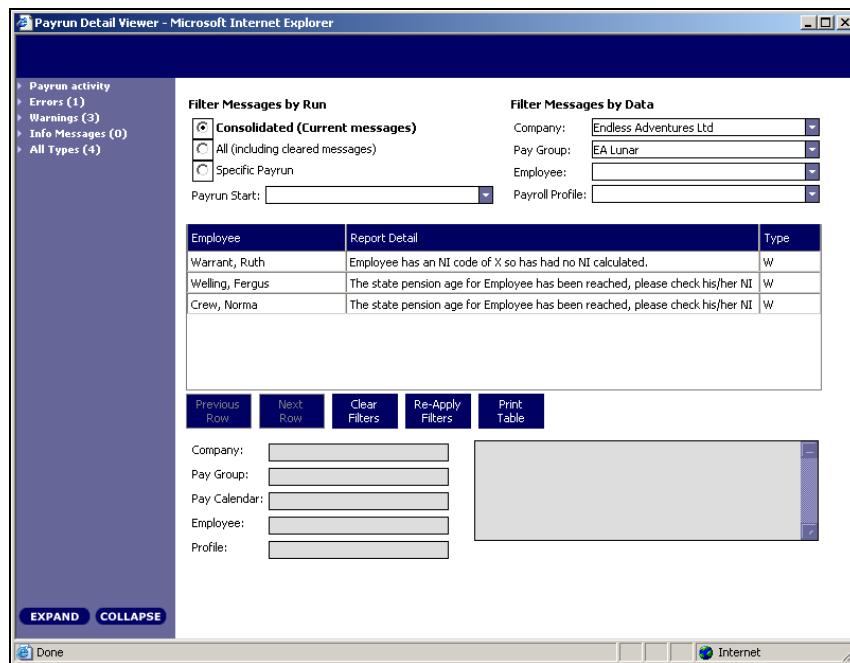


Figure 3 - 2 Activity Log reports

The activity log consists of four separate payroll reports:

- The **Payrun processing activity** report which provides details of when individual processes were initiated, see Figure 3 - 3 below.

Pay Event Description	Pay Activity Time	Last Updated By
Payrun Set-up started	05/08/2004 13:42:27	devdix1000010885
Assigned to Payrun	05/08/2004 13:42:27	devdix1000010885
Calculate Pay requested	06/08/2004 08:47:39	DEVDix1000010885
Calculate Pay started	06/08/2004 08:47:40	DEVDix1000010885
Calculate Pay ended successfully	06/08/2004 08:48:33	DEVDix1000010885
Post-calc report processed	06/08/2004 08:49:06	DEVDix1000010885
Commit requested	06/08/2004 09:09:31	DEVDix1000010885
Commit started	06/08/2004 09:09:32	DEVDix1000010885

Figure 3 - 3 Activity Log processes

- The **Errors** report lists any errors that have been recorded during the calculation process. It can list the errors that have arisen during all iterations of the payrun, or only those in a selected payrun. Other filter options allow you to determine the types of errors listed.

The Error Information section displays the details of a selected error, including the PDE batch number the error occurred in.

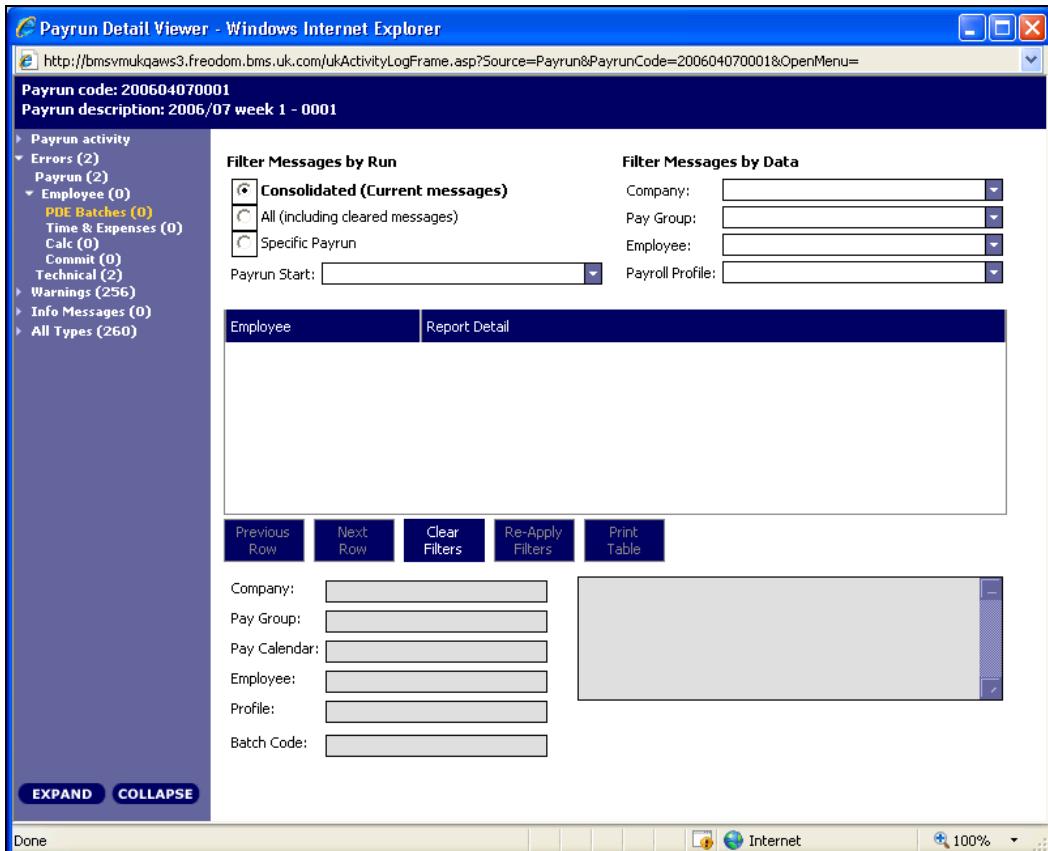


Figure 3 - 4 Activity Log Error Messages

- The **Warnings** report that is broken down into payrun warnings and individual employee warnings, see Figure 3 - 5.

Filter Messages by Run		Filter Messages by Data	
<input checked="" type="radio"/> Consolidated (Current messages)		Company:	Endless Adventures Ltd
<input type="radio"/> All (including cleared messages)		Pay Group:	EA Lunar
<input type="radio"/> Specific Payrun		Employee:	
Payrun Start:		Payroll Profile:	
Employee		Report Detail	
Warrant, Ruth		Employee has an NI code of X so has had no NI calculated.	
Welling, Fergus		The state pension age for Employee has been reached, please check his/her NI	
Crew, Norma		The state pension age for Employee has been reached, please check his/her NI	
Previous Row	Next Row	Clear Filters	Re-Apply Filters
Print Table			
Company:	Endless Adventures Ltd	The state pension age for Employee has been reached, please check his/her NI category code currently set to D	
Pay Group:	EA Lunar		
Pay Calendar:	200305020001		
Employee:	Welling, Fergus (EE171)		
Profile:	001		

Figure 3 - 5 Activity Log Warning Messages

- The **Info messages** report also broken down into payrun messages and employee messages.

Additionally there is a provision to view **All Types** of warnings and messages.

The Post Calculation Assistant

*Note: The **Post Calculation Review** link on the **Payrun Control** page will only become active after the successful completion of the **Calculate the Payroll** process. Only authorised users who have been granted the **Payrun Access – Post Calc Review** authority on the User Security page can access this option.*

The **Post Calculation Review** process is intended to provide users with an initial review of the results of the payrun prior to committing these results to the database. It is intended to provide sufficient information both in summary and detail to enable the users to be satisfied that the payrun has produced acceptable results.

Displaying the pay group totals

To display the pay group totals information, click on the **Past Calculation Review** link on the **Payrun Control** page. Once clicked, the link displays the first page of the **Post Calculation Review** assistant.

Post Calculation Review

Current Payrun : BI Monthly Aug 09 (200908200001) Payslip Date : 20-Aug-2009

Select a Company and Pay Group to review

Company	Pay Group	Description
O'Toole Garden Furniture	Birmingham Monthly	Period 5 paid on 20/08/2009 (01/08/2009 to 31/08/2009)

Or click here for [Post Calculation Reports](#)

 Help Review Cancel

Figure 3 - 6 Post Calculation Assistant first page

To view the payrun totals, click on **Review**, at the bottom of the page, the second page of the assistant displays a summary of the totals as shown in Figure 3 - 7 and more details are available from the **More Details** button at the bottom of the page.

Post Calculation Review

Company : O`Toole Garden Furniture
 Pay Group : Birmingham Monthly
 Payslip Date : 20-Aug-2009

Payrun Totals

Gross Pay	Statutory Deductions	Other Deductions	Net Pay	Amount Paid
£31,808.32	£8,230.60	£935.93	£22,641.79	£22,641.79

Employee Deductions

Statutory		Other			
Income Tax	NI	Pension	AEO's	Student Loans	Voluntary
£5,507.34	£2,723.26	£674.93	£0.00	£261.00	£0.00

Employer Contributions

NI	Pension	Other
£3,043.00	£964.16	£0.00

Number of employees paid: 12

Compare with a Previous Payroll With Payslip Date: dd/mm/yyyy

 Print Back More Details Cancel

Figure 3 - 7 Post Calculation Assistant second page

By selecting the **More Details** option at the bottom of the page, ADP freedom breaks down the payrun into finer constituency parts. From there, there is the option of breaking down even further to display the pay details of each employee, see Figures 3 - 8, 3 - 9 and 3 - 10.

For further confidence checks, there is a **Compare with a Previous Payroll** button (see Figure 3 - 7) that displays a dialogue giving the options of comparing this payrun with a previous payrun from the same pay group. The menu options provide the facility of selecting a particular payslip date to compare against, and, providing that there are records for that date, details of the present payrun and the selected payrun will be displayed alongside each other.

Post Calculation Review	
Company :	O`Toole Garden Furniture
Pay Group :	Birmingham Monthly
Payslip Date :	20-Aug-2009
<u>Employee</u>	
Earnings	
Description	Amount
Basic Pay	£31,766.65
Bonus	£41.67
Non Niable	£0.00
Occupational Sick Pay	£866.52
Overtime 2 T	£0.00
SSP	£94.98
Unpaid time off	-£961.50
Earnings Total	£31,808.32
Statutory Deductions	
Income Tax	£5,507.34
National Insurance	£2,723.26
Statutory Deductions Total	£8,230.60
Other Deductions	
Attachment Orders	£0.00
Student Loans	£261.00

 Print Back Employees Cancel

Figure 3 - 8 Post Calculation Review Payrun Breakdown

Post Calculation Review

Company : O`Toole Garden Furniture
 Pay Group : Birmingham Monthly
 Payslip Date : 20-Aug-2009

Select Employees to display:

- ALL Employees in the Pay Group**
- By last name starting with...
- Only Employees with Warning messages
- By Cost Centre

Sequence output within Pay Group by:

- Last Name**
- Employee No.
- Last name in Cost Centre
- Employee No. in Cost Centre Ascending Descending

Details to display:

- Include Employer contributions (WARNING: Will increase download/response times)

 [Help](#) Back Display Cancel

Figure 3 - 9 Post Calculation Review employee display options

Post Calculation Review

Company : O`Toole Garden Furniture
 Pay Group : Birmingham Monthly
 Payslip Date : 20-Aug-2009

Adams, Adrian - A148/001	
Gross Pay	£1,650.00
Income Tax	£614.80
National Insurance	£109.34
Pensions	£112.59
Net Pay	£813.27
Amount Paid	£813.27
+ More Detail	
Duggart, Chris - AA170/001	
Gross Pay	£3,458.33
Income Tax	£610.00
National Insurance	£328.06
Net Pay	£2,520.27
Amount Paid	£2,520.27
+ More Detail	
Folkes, Colin - A147/001	
Page 1 of 2	Prev 10 <input type="button" value="Next 10"/>

 [Help](#) Print Back Cancel

Figure 3 - 10 Post Calculation Review Individual employee payments

The Post Calculation Assistant also allows you to view the payroll reports that are listed on the assistant page shown in Figure 3 - 11 .

To view any of the reports, select **Payment > Payroll Processing > Payrun Control** from the main menu and then, on the **Payrun Control**, then click on **Post-Calculation Review**.

From the **Post Calculation** assistant screen, select **Post Calculation Reports**. The assistant displays the page shown in Figure 3 - 11 the user has the option to select one or more reports to run and then view.

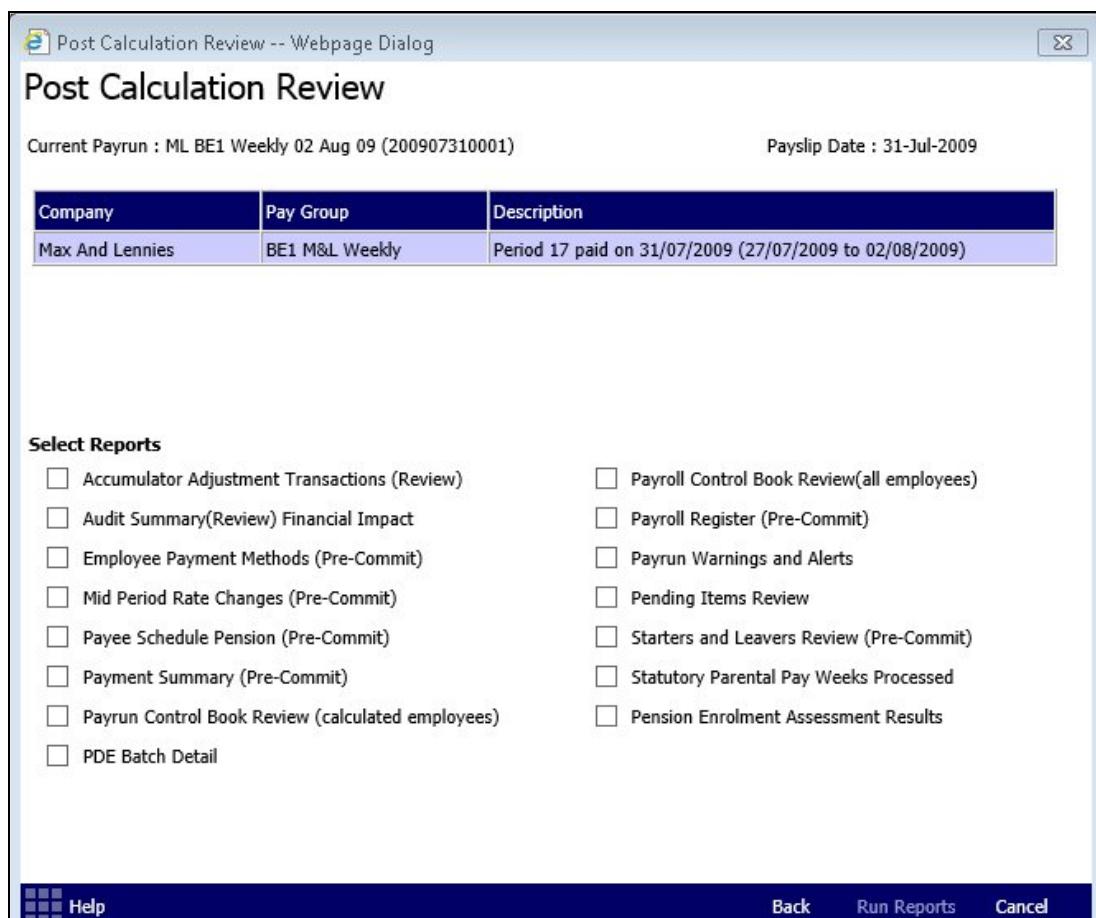


Figure 3 - 11 Post Calculation Review reports

Correcting Errors

If, while reviewing the totals, errors are discovered, corrections should be made via PDE or standard pages. When modifications to the payrun are applied, ADP freedom must recalculate the payrun prior to commit. After the recalculation, the payroll should, once again, be reviewed and re-verified prior to proceeding to the commit stage.

Note: If changes are made on an employee level (for example, add a deduction or earnings amount), the recalculation affects only those employees who have changes. If changes are made on the company level (for example, change a rule), the pay is recalculated for all employees in the payrun.

Release the payslips for preview

Once the payroll administrator is satisfied that the calculation results are error free then they have the option to release the employees payslips for preview through Self Service. The **Release Preview** button is available after the payroll has been calculated.

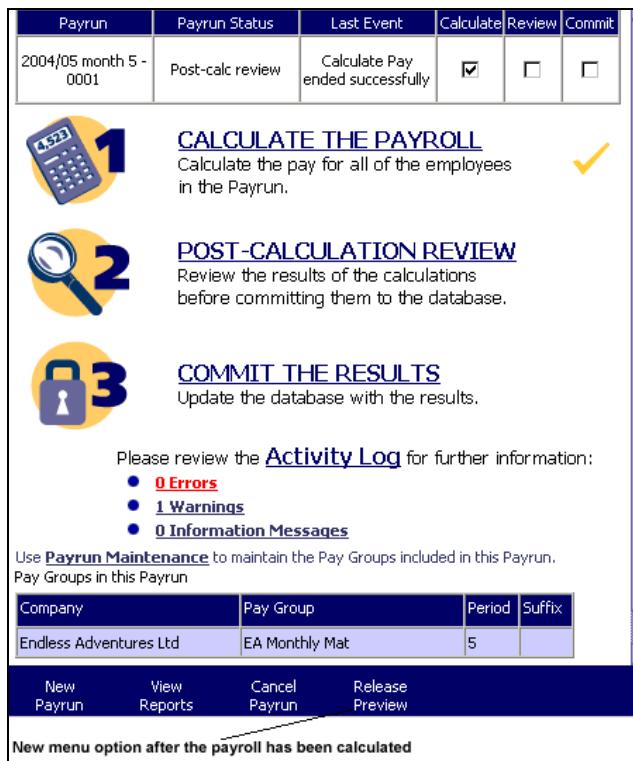


Figure 3 - 12 Release preview button

If the payroll administrator elects to release payslips for employees to preview they do this by clicking on the **Release Preview** button at the foot of the **Pay Cycle** page.

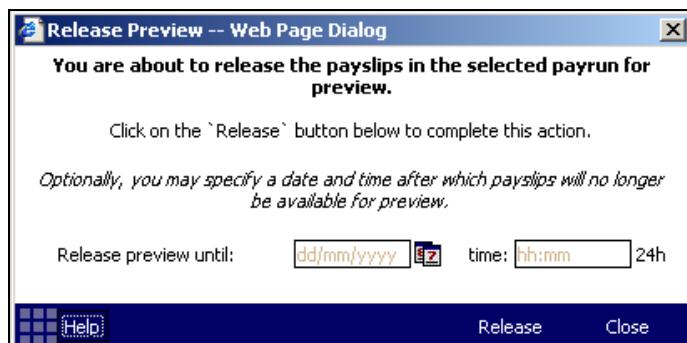


Figure 3 - 13 Release payslips for preview

Once the option has been selected then the administrator can enter a date and time, after which the payslips will no longer be available for the employee to view.

Note: To preview their payslips, employees will have to log on to Self Service and use the menu to navigate to **My Money > Payroll Information > Payslip Preview**.

Once the payslips have been released for preview, the button at the foot of the pay cycle page changes from **Release Preview** to **Recall Preview**. If the administrator wants to revoke the preview then they can do this manually, as opposed to date limiting described above, by clicking on the **Recall Preview** button.

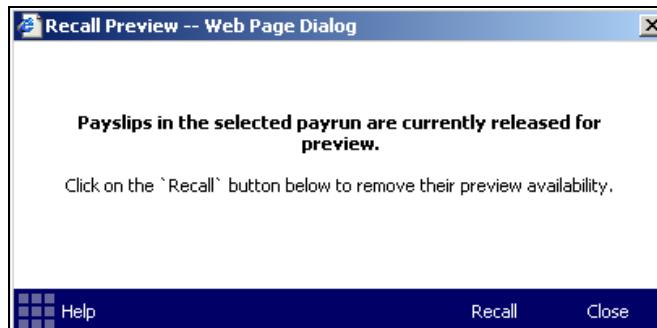


Figure 3 - 14 Recall preview

Once the payslips have been recalled from preview the button at the foot of the pay cycle page changes from **Recall Preview** to **Release Preview**.

Committing the payroll

*Note: Only authorised users can access the Commit option on the Payrun Control page (see Figure 2 - 3 Payrun control page). These are users who have been granted the **Payrun Access - Commit** authority on the User Security setup.*

The commit process is the part of the payrun that updates the ADP freedom database. It is important, therefore, that the calculations have been thoroughly reviewed and that the user is happy with the results.

ADP freedom will not commit a payrun if:

- there are any outstanding errors
- if a pre-payrun activities assistant is active/open e.g. if a user is running the backpay assistant or the sick pay processor. (The user can be identified using the System > Management >Assistant manager).
- there are any payruns with an earlier payment date, that have not yet been committed (this ensures that payrolls are processed in order)
- the payrun includes Bacs payments with payment dates beyond the deadline date.

Tip: When RTI is in use, if you try to commit a payun that includes payments with a payment date that is after the processing date expected by HRMC, a warning message appears and you are prompted to select a Late PAYE Reporting reason (which is required by HMRC on the RTI FPS submission). See the HMRC Real Time Information (RTI) User Guide for further information.

Note: Once a payrun is committed, BACS payments will be submitted for payment and payslips will be submitted for printing. This process cannot be reversed.

Payrun	Payrun Status	Last Event	Calculate	Review	Commit
2005/06 week 1 - 0001	Awaiting Commit	Post-calc report processed	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1 CALCULATE THE PAYROLL
Calculate the pay for all of the employees in the Payrun. ✓

2 POST-CALCULATION REVIEW
Review the results of the calculations before committing them to the database. ✓

3 COMMIT THE RESULTS
Update the database with the results.
[Click to commit the Payroll](#)

Please review the [Activity Log](#) for further information:

- 0 Errors
- 2 Warnings
- 0 Information Messages

Use [Payrun Maintenance](#) to maintain the Pay Groups included in this Payrun.

Company	Pay Group	Period	Suffix
Endless Adventures Ltd	EA Weekly Mat	1	

Figure 3 - 15 Commit the payroll

When **Commit the Results** is clicked, the following message is issued:

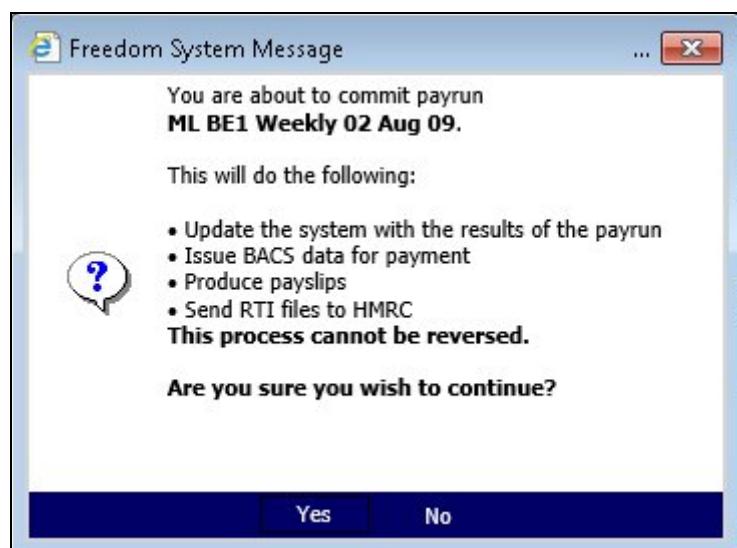


Figure 3 - 16 Commit warning message

If you do continue then ADP freedom performs the following tasks:

- Produces the payslips and BACS payments
- Sends the appropriate RTI files to HMRC to support the payrun
- Updates the following employee accumulators:
 - Earnings
 - Deductions
 - Court orders

- Tax & NI
- Special accumulators
- Gross
- Creates a history of the accumulator record to provide an audit of what the accumulator values are at the end of each payrun
- Creates ‘snapshot’ files of the following items of data, recording the exact status at that point in time:
 - Employee payroll profile
 - Company data
 - Pay group data
 - Pay calendar data
- Updates payroll related data, such as employee court order status. ADP freedom records the value of any arrears that are recovered on voluntary deductions etc.
- Sweeps up pending transactions, and records the fact that it was this payrun in which the item was processed. Pending items are any transactions that have been calculated outside of a payrun. The items that may fall into this category are:
 - Manual payments
 - Payslip reversals
 - Adjustments
 - Sick pay payments
- Updates the commit status as each of the above steps are completed. This ensures that if commit has to be restarted, it can find the correct point at which to begin.

Costing

If a company uses General Ledger (GL) account numbers to identify liability or expense accounts, account numbers can be assigned to financial transactions (liability or expense accounts) on the **General Ledger** page. Once the payroll is processed, GL accounts can be automatically updated by clicking **Costing** on the **Pay Cycle** page.

For more information about using GL costing in ADP freedom, see **The General Ledger** pdf guide.

Extracting the Payroll Results

At any time during the pay cycle the results of the payroll calculation can be output to a Microsoft Excel spreadsheet file e.g. for further analysis, or reporting.

The Payroll Extracts page is used to output the earnings and deductions calculated for a selected payrun at either the pre-commit or post-commit stage of the pay cycle to an extract file.

To access this page, select the **Payment > Payroll Processing > Payroll Extracts** option.

To be Calculated	Payrun	Payrun Status	Last Event	Payrun Cut-Off
GF Week P1 2008	Tax Month 1 2008	Payrun Set-up	Calculate Pay ended successfully	
TAX Week 1 2008				
TGM P1 2007				
To be Reviewed	Extract name:	Payrun results – Pre commit		
To be Committed	File name:			
	Save as type:	Excel 97-2003		
	Company	Pay Group	Period	Suffix
	Tax 2008	Tax Month	1	

Run Extract

Figure 3 - 17 Payroll Extract page

In the centre frame selection list, use the **View Completed** or **Current Payruns** button at the bottom of this frame to list either the pre-commit or post-commit payruns available, and select the payrun required.

Then the following payroll extract details required, as follows:

Field	Description
Extract name:	This identifies the data chosen for extract. It is pre defined and displays the status of the payrun chosen which will be either Pre commit or Post commit.

Field	Description
File name:	This is the name of the Microsoft Excel extract file that will be created. The name must be entered manually. If more than one pay group exists in the payrun chosen and the consolidate option is not chosen, the pay group code is appended to this filename to uniquely identify the file.
Save As Type:	This drop down list is used to select the type of payroll extract file that will be created. The option you choose depends on the version of Microsoft Excel installed. Note: Microsoft Excel 97 - 2003 only supports a maximum of 256 columns. If this option is chosen and the payroll extract includes more than 256 columns, the additional columns automatically continue on a new Microsoft Excel worksheet.
Consolidate at company level:	This checkbox is available if the payrun chosen for extract contains more than one pay group. If this option is selected, all of the pay group details are consolidated into a single file containing company totals. If this option is not selected, a separate file is produced for each pay group. The pay group code is appended to the filename entered to identify each file. All of the files are then zipped into a single zip file.

Once the extract requirements are defined, click the **Run Extract** button and acknowledge the messages that appear to initiate the process that produces the file.

Viewing/Saving the Payroll Extract File

The extract is run as a batch process. When it has finished a message is sent to the Administrator's Home page. This message contains a link to the extract file to enable the user to open, view and save the extract file(s).



Figure 3 - 18 Home page Payroll Extract completion message

The user should click on the message to view the message details. These display the payroll extract parameters and provide a link to access the file(s).

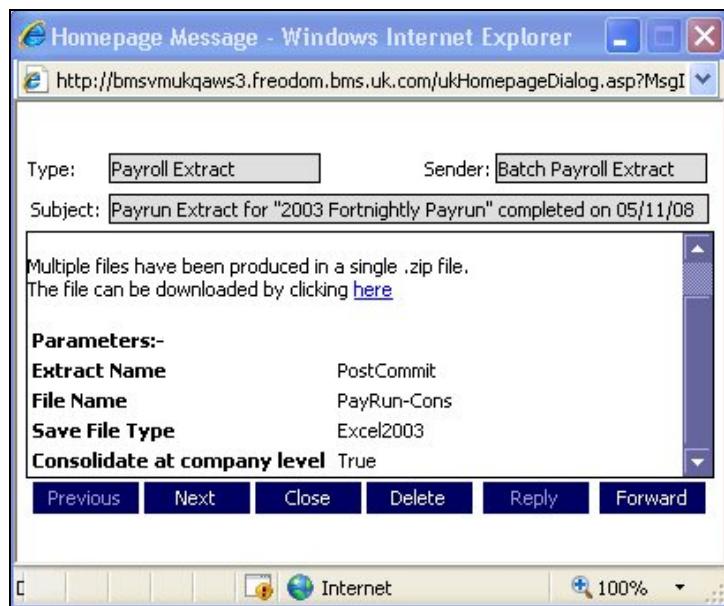


Figure 3 - 19 Payroll Extract completion details

Note: If the payrun chosen for extract contained more than one pay group and the Consolidate option was not chosen, a separate extract file will have been produced for each pay group. The pay group name is added to the chosen filename to identify each file. All of the files are zipped into a single zip file which is unzipped automatically.

To access the extract file(s), click [here](#) to display the File Download window.



Figure 3 - 20 Payroll Extract File Download window

Choose **Open** to open the file(s) in Microsoft Excel, or **Save** to save the files to disk. In both cases the zip file is unzipped automatically to allow you to choose the file you wish to view or save.

The extract file includes a column for each earning, deduction, gross pay, taxes etc in the familiar gross to net report style, an example of which is illustrated below:

A	B	C	D	E	F	G	H	I	J	K	L	M		
Company	Pay Group	Employee	Last Name	First Name	NI Number	Employment Start Date	Business Unit	Cost Centr	Cost Centr	Tax Year	Period	Nur	Payment Date	Ta
2	Framar Dis	Framar Dis C028	Brennan	Malachy	TT976290A	12/01/1993	Framar Servicing			2003	52	02/04/2004	46'	
3	Framar Dis	Framar Dis C029	Burke	Maura	HA124223D	12/01/1993	Framar Servicing			2003	52	02/04/2004	46'	
4	Framar Dis	Framar Dis C030	Collins	Maureen	LA770436B	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
5	Framar Dis	Framar Dis C031	Campbell	Moira	HY147981C	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
6	Framar Dis	Framar Dis C032	Clarke	Molly	RR651235A	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
7	Framar Dis	Framar Dis C033	Johnston	Mona	RP964260D	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
8	Framar Dis	Framar Dis C034	Hughes	Myrna	BB768912C	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
9	Framar Dis	Framar Dis C035	O'Farrell	Noreen	WE234568A	11/05/1992	Framar Drivers			2003	52	02/04/2004	46'	
10	Framar Dis	Framar Dis C036	Fitzgerald	Oona	AE955674C	27/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
11	Framar Dis	Framar Dis C037	Brown	Oran	TH562545A	27/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
12	Framar Dis	Framar Dis C038	Martin	Orla	ER885590C	11/05/1992	Framar Drivers			2003	52	02/04/2004	46'	
13	Framar Dis	Framar Dis C039	Maguire	Patrick	PH361242A	27/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
14	Framar Dis	Framar Dis C040	Nolan	Pierce	BB102244A	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
15	Framar Dis	Framar Dis C041	Flynn	Rohan	TL996636C	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
16	Framar Dis	Framar Dis C042	Thompson	Ronan	TY643285C	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
17	Framar Dis	Framar Dis C043	O'Callaghan	Rory	TY643247A	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
18	Framar Dis	Framar Dis C044	O'Donnell	Rosaleen	ZT579124C	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
19	Framar Dis	Framar Dis C045	Duffy	Rowan	TR778476C	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
20	Framar Dis	Framar Dis C046	O'Mahony	Shaun	LM456766B	27/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
21	Framar Dis	Framar Dis C047	Boyle	Sheila	RT233212B	27/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
22	Framar Dis	Framar Dis C048	Healy	Sorley	TT976288A	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
23	Framar Dis	Framar Dis C049	O'Shea	Tallulah	HA124222D	06/04/1992	Framar Drivers			2003	52	02/04/2004	46'	
24	Framar Dis	Framar Dis C050	White	Teague	MW770436B	06/04/1992	Framar Transport Administration			2003	52	02/04/2004	46'	
25	Framar Dis	Framar Dis C051	Sweeney	Tierman	ZA147984C	06/04/1992	Framar Transport Administration			2003	52	02/04/2004	46'	
26	Framar Dis	Framar Dis C052	Hayes	Tierney	TT651235A	11/05/1992	Framar Transport Administration			2003	52	02/04/2004	46'	
27	Framar Dis	Framar Dis C053	Kavanagh	Tressa	BT012681A	11/05/1992	Framar Transport Administration			2003	52	02/04/2004	46'	
28														
29														
30														
31														
32														
33														

Figure 3 - 21 Payroll Extract File

National Employment Savings Trust Extract

As part of the Workplace Pension Reforms, employees who meet the necessary criteria will be enrolled automatically into a qualifying pension scheme. If the scheme is one provided by NEST (National Employment Savings Trust) then the several details need to be sent to Nest each pay period, including:

- Membership details, being personal details of those members joining and leaving the scheme, members who have opted out, or changed group or payment source since the last time that information was provided
- Contribution details, being contribution details from a payroll calculation and details of any reductions in contributions or stopped contributions.

The Freedom Nest Extracts process automatically generates an extract file that contains all of the details that need to be provided to Nest. The extract files contain all of the relevant details for a selected, completed payrun e.g. all of the members who joined or left the pension scheme during the period covered by the payrun, all the contributions made in the payrun etc.

Several extract files are produced, depending on the activity during the period defined by the payrun. Membership changes (enrolment and un-enrolments) are output to a separate file for each Nest Reference. Contributions are output to a separate file for each pay group in the payrun.

Once the extract files have been created, a message appears on the Home page that allows these to be downloaded locally.

To produce the Nest extract files, select the **Payment > Payroll Processing > Nest Extract** option.

The steps required to create the extract files are the same as those described in the previous section for the Payroll Extract.

Chapter 4 – Payroll Reports

ADP freedom provides a large number of reports, this guide will concentrate on the payroll standard reports. For information on the other reports that ADP freedom provides, see the **ADP freedom Standard Reports** pdf guide.

Pay period audit reports

Following the successful completion of the calculation process, ADP freedom offers the opportunity to run a number of pay-run related reports. The following table gives details of the information provided by the **Payroll Control Book** report and the other reports that are available to be run from the **Post Calculation Review** page after the payroll has been calculated but before it has been committed:

Table 4 - 1 Post calculation reports

Report	Description
Accumulator Adjustment Transactions Review	This report provides details of any adjustments made to accumulators that have been included in a payroll calc for the period. The report details the opening balance of the accumulator and the details of the adjustment that have been made.
Audit Summary (Review) – Financial Impact	This report displays a list of all fixed data changes. These include such items as tax codes, bank accounts for a pay-run. This report identifies where changes in these fixed data items may have a financial impact.
Employee Payment Methods (Pre-commit)	This report provides information on the payment methods that will be used for employees in this pay-run
Mid Period Rate Changes (Pre-commit)	This report will identify where rate changes have occurred for employees midway through their pay period and where pro-ration of those rates have been applied.
Payee Schedule – Pension (pre-commit)	This is a specific report that, in its post commit form, is suitable for sending to the employee's pension provider. It provides all the information required, including earnings, National Insurance calculations, actual and notional, employee name and number, amount and year to date totals
Payments summary (pre-commit)	This report provides a summary of all payments made to third parties within the selected date range, including AEOs, Tax payments and Pensions.

Report	Description
Payroll Control Book Review (calculated employees)	This report provides a summary of the pay group results totals and includes comparisons of items that impact regular earnings and deductions. The report displays headcounts, impact of new starters, leavers, salary adjustments, maternity leave, payments in advance and other relevant information.
Payroll Control Book Review (All employees)	This report provides a summary of the pay group results totals and includes comparisons of items that impact regular earnings and deductions. The report displays headcounts, impact of new starters, leavers, salary adjustments, maternity leave, payments in advance and other relevant information. Grouped by Company and Pay group
Payroll Control Book Review (Calculated employees)	As above but not grouped by Company or Pay group.
Payroll Register (Pre-commit)	This report provides detailed payslip information for all employees after the pay-run has been committed. It includes net pay details and pending items separately.
Payrun Warnings and Alerts	This report provides a list of system generated warnings and alerts that were generated during the calculation phase. Details are listed in order of severity and include such things as no payroll activity for active employees, payroll activity for inactive employees, insufficient net pay. It can also include details of employees who have met specific criteria to identify goals set and values met.
Starters and leavers Review (Pre-commit)	This report provides a list of starters and leavers included in the pay-run.
Statutory Parental Pay Weeks Processed	The purpose of this report is to list employees who will receive statutory parental pay (SMP, SPP, SAP) in this pay-run, and the payments by week number of entitlement. Where an employee is not entitled to a payment, the non-payment will be listed, together with an explanatory reason code.

These reports can be viewed to ensure that the results of the payrun are as expected.

Other payroll reports

ADP freedom provides additional payroll reports that present information for recording purposes or that can be provided to third parties.

Table 4 - 2 Additional payroll reports

Report	Category	Description
Coinage Breakdown by Employee	Payments	This report provides on the coinage required for each employee who receives cash.
Coinage Required	Payments	This report provides information on the total amount of cash required, giving detailed information on the coinage required for each employee pay packet.
Employee Cheque Payments	Payments	This report provides a list of employees paid by cheque. The list includes the employee's name, number, payee, payment due date and a blank space for the cheque number.
Employee Other Payments	Payments	This report displays a list of employee net payments that are not BACS, cash or cheque.
BACS Payment	Payments	This report includes the employee name, number and BACS details.
Payee Schedule	Payments	This report is suitable to send to third parties such as unions, share purchase schemes, health care and the like. It includes the employees name and number, amount, year to date totals and company reference numbers.
Payee Schedule – Attachment of Earnings Order (AEO)	Payments	This is a specific report, suitable for sending to the courts showing pertinent information regarding the employee and their AEO.
Third Party non BACS Payments	Payments	This report provides a list of all third party payments that do not use BACS as a payment method. Information includes employee's name, number, payee and payment due date.

Report	Category	Description
Third Party Cheque Payments	Payments	This report provides a list of employee deductions for third parties to be paid by cheque. Information includes the organisation, employee name, number, payee, payment due date and a blank space for the cheque number.
Third Party Other Payments	Payments	This report provides a list of third party payments that are not BACS, cash or cheque.
General Ledger Costings	Payroll Analysis	This report provides information on costings by general ledger period, company and cost centre. This information is suitable for keying into the company general ledger.
Hours Paid Analysis	Payroll Analysis	This report provides a statistical analysis of hourly related data.
Payroll Costings	Payroll Analysis	This report provides traditional payroll costing information suitable for internal distribution.
Payroll Register	Payroll Analysis	This report provides detailed payslip information for all employees after the payrun has been committed. It includes net pay details and pending items separately.
Payroll Control Book Summary	Payroll Analysis	This report provides a one page summary of pay group results totals, showing payslip net pay, deductions, employers costs, disbursement key dates and HMRC payments.
P14 (End of Year Summary) Year To Date Reconciliation	Statutory Reports	This report provides a summary of pay group results totals giving point to point comparison of items that impact P14 totals. It shows new P45 figures, P45 changes, P6s (Notice of Tax Codes), employee transfers, payrun results and data deletions.
PDE Import Errors and Warnings	Payrun Review	This report provides a list of errors and warnings received following the import of data.

Report	Category	Description
Pending Items	Payroll Analysis	This report provides details of manual payments and reversal adjustments by employee. It displays the earnings or deduction type with period or cumulative impact.
Duplicate Data Warnings	Payrun Review	This report provides a list of any duplication of either monetary or quantity (for instance, hours) of fixed or variable values to help eliminate potential errors.
Accumulator, Year To Date Reconciliation	Payrun Review	This report provides a summary of pay group results showing special accumulator totals and detailing new items and physical changes including deletions from year to date totals.
Line Manager Validation Check	Payrun Review	This report provides a breakdown of payments plus employer costs and pending payment plus employer cost items for the line manager to review. It includes employee payments and deductions.
PDE Batches In Use	Payrun Review	This report provides a list of batches currently in use, identifying those for this period, showing owner, totals and imbalances.
PDE Batch Detail	Payrun Review	This report provides a listing of variable data changes, such as overtime, for a payrun.
Statutory Adoption Pay (SAP)	Payrun Review	This report provides access to data relating to SAP.
Statutory Maternity Pay (SMP)	Payrun Review	This report provides access to data relating to SMP.
Statutory Paternity Pay (SPP) Adoption	Payrun Review	This report provides access to data relating to SPP when a child has been adopted.
Statutory Paternity Pay (SPP) Birth	Payrun Review	This report provides access to data relating to SPP on the birth of a child.

Report	Category	Description
Statutory Sick Pay (SSP)	Payrun Review	This report provides access to data relating to SSP.

The Report Submission page

Each report can be defined by using the **Report Submission** page to enter different criteria, or parameters.

Figure 4 - 1 Report Submission page

The **Report Submission** page is automatically displayed when a report is selected to run. The parameters for each report vary, depending on the report itself.

Running reports

The reports listed in Table 4 - 2 are accessed by:

- Selecting **Reports > Run Report**
- From the selection pick list, select either **Payments, Payroll Analysis or Payrun Review**
- Select the type of report that is to be run
- Complete the fields on the **Report Submission** page. The parameters selected here define the information that will be provided once the report is viewed
- Click **Submit**.

The newly generated report is added to the **New** folder. The report can be viewed by selecting **Reports > View Existing Report** and then select **New** from the pick list.

Viewing reports

To view a report:

- Select **Reports > View Existing Report**
- From the report folder pick list, select **New**
- Click on the name of the report that is to be viewed, the report is displayed in the viewer on the screen. If required, the viewer can be resized to allow easier viewing of the report
- To print the report, click on the printer icon at the top left of the viewer
- To return to the **Reports** menu, close the viewer.

Chapter 5 – Close the Payrun

When **Close** is clicked on the Pay Cycle, the pay period automatically closes and, except at the tax year end when the next period must be opened manually, the next regular period in the pay calendar opens.

After a pay period is closed, it cannot be reopened manually. However, if a future pay period is closed, it will reopen automatically when it is scheduled to open. It can then be decided whether to continue to process the payroll for the period or to close and cancel it.

Chapter 6 – Manual Payments

ADP freedom provides four different methods of making manual payments to employees:

- **Type 1 - Recording a manual payment that has already been made.** independently from ADP freedom. This is for recording purposes and does not produce an actual payment through Freedom. It does allow you to produce a payslip, if you require. It does not include a BACS option.
- **Type 2 - Create and calculate a manual payment now.** This option is for calculating and recording a payment to be made outside Freedom and does not produce a payment of any sort. It provides an option for you to produce a payslip (and may display BACS on the payslip). It does not include a BACS option.
- **Type 3 - Create a manual payment to be included and printed in the next payrun.** This option allows you to enter a payment that will be included in the next payrun and thus paid through Freedom. A BACS option is available if this payment method is required and a payslip will be produced.
- **Perform a “what if” gross to net calculation.** This type of payment provides the user with the facility to enter a combination of different earnings and deductions to find what the resulting net payment would be. Once the optimum results had been calculated, then the user would select a payment type from the previous three options to make the actual payment.

In the first three payment types, ADP freedom calculates the totals and places the results in an uncommitted pending state. These totals are then included in the next scheduled payrun. The “what if” type does not result in any payment being made, therefore any totals created are not stored anywhere.

The effect of the three types of manual payment pending items on payments via BACS is summarised in the table below.

Source of Pending Item	Payment via BACS			
	Salaries	Deductions	Employers Contributions	Inland Revenue
Manual Payment Type 1	✗	✗	✗	✓
Manual Payment Type 2	✗	✗	✗	✓
Manual Payment Type 3	✓	✓	✓	✓
Payslip Reversal	✗	✓ Consolidated only	✓ Consolidated only	✓
Accumulator Adjustment	✗	✗	✗	✗

Manual payments are extremely flexible and can be applied to many and various types of earnings and deductions. These manual payment records can be amended or deleted at any time, providing no P45 has been produced, up to the point where they are included in the next scheduled payrun.

ADP freedom provides the **Manual Payment Assistant** to take the user through the various stages in making manual payments.

The Manual Payment Assistant

Note: *It is not recommended that parental payments, maternity pay; paternity pay etc, are made through PDE. Any adjustments to parental pay should be made through the appropriate override assistant, available from the associated Latest page as shown below:*

Rose, Maureen (EE167)

Your employee had her baby on Monday 2 August 2004.

Maternity leave

She is entitled to maternity leave starting from Sunday 1 August 2004 up to and including Saturday 30 July 2005.

Maternity pay

She is entitled to SMP.
The SMP Pay Period starts week commencing Sunday 1 August 2004.

Actions

- Suspend from payroll
- Pop up a detailed view of her maternity details
- Add to or change the details of her maternity
- Delete this maternity because it was input in error
- Override some of the SMP payments already made
- Prime with take-on data

Figure 6 – 2 Latest page

Note: *If a number of parental payments have already been made outside of ADP freedom, then the details should be added via the **Prime with take-on data** menu item. See the **Absence Management guide** for more details.*

The **Manual Payment Assistant** is activated by selecting **Payment > Pay Data > Manual Payment** from the menu options, and then selecting the employee who is to receive the manual payment from the centre frame pick-list. By default, the pick-list shows all employees but the user can elect to use the available filters to limit the list. The types of filter available include:

- The standard ABC filter, which limits the list alphabetically, depending on the letter selected
- Manual payment filter, which limits the list to those employees to those that have existing manual payments in the pending area. This is particularly useful when changes are to be made to a manual payment.

Centre frame pick-list

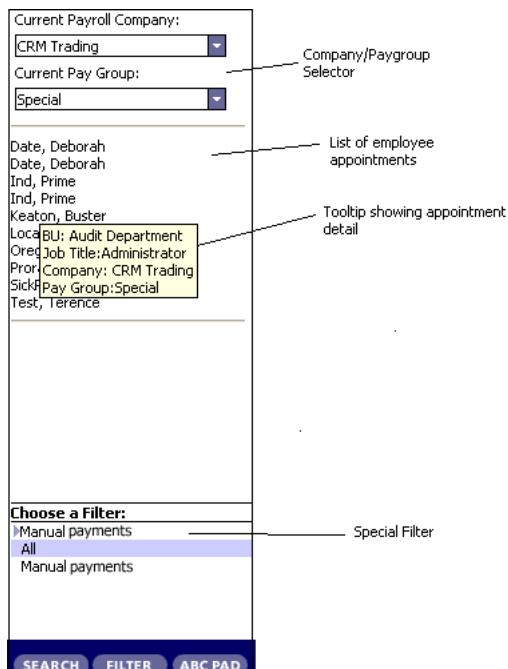


Figure 6 - 1 Centre frame picklist

The **Manual Payment** page will display details of any manual payment that has been created for the selected employee, the user can elect to:

- Edit those details
- View and edit the details of previous or later manual payments
- Create a new manual payment.

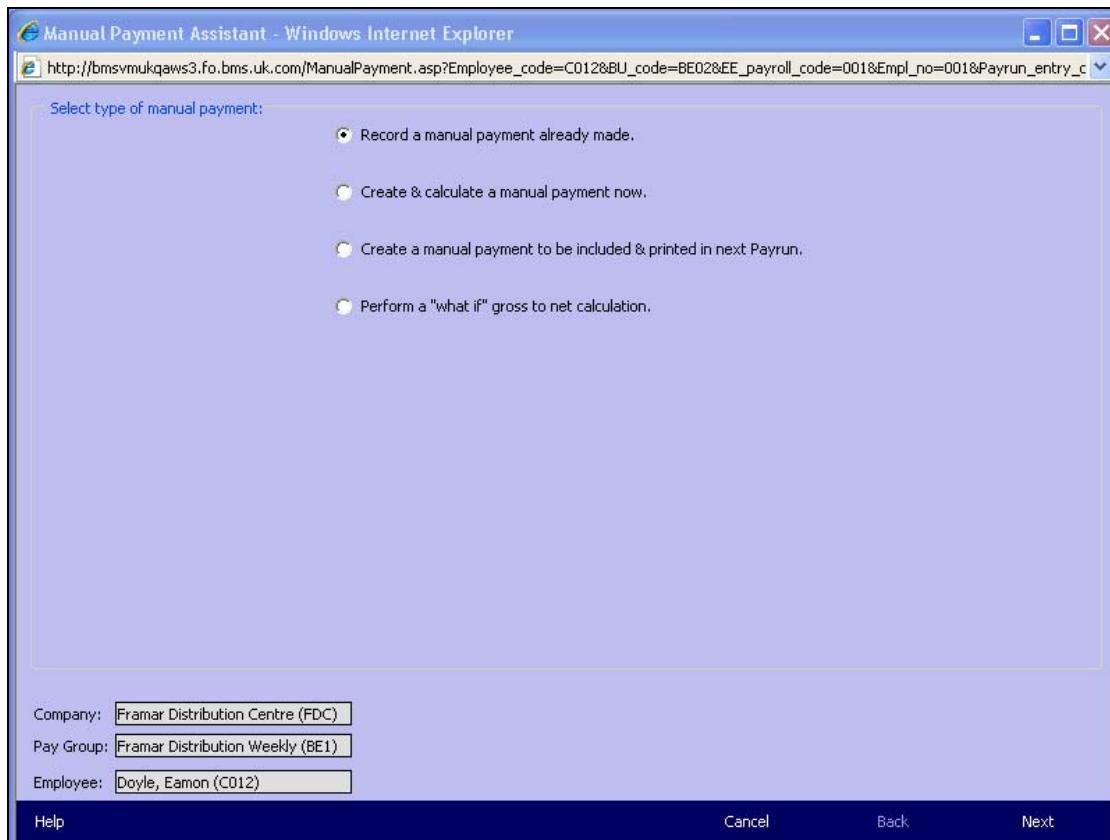
Payment - Manual Payments		
Davies, Dylan (A653)		
Payment type	Payment date	Complete
After the Fact Manual Payment	01/12/2011	Yes

Payment type:
 Payment date: 
 Derive GL business code:
 Complete:
 Comments:

[Edit Manual Payment...](#)

Figure 6 - 2 Manual Payment page

To create a new manual payment, select the **New Payment** button at the bottom of the page. Once the button is selected, the **Manual Payment Assistant** is launched.



The screenshot shows a Windows Internet Explorer window titled "Manual Payment Assistant - Windows Internet Explorer". The URL in the address bar is http://bmsvmukqaws3.fo.bms.uk.com/ManualPayment.asp?Employee_code=C012&BU_code=BE02&EE_payroll_code=001&Empl_no=001&Payrun_entry_c. The main content area displays a question: "Select type of manual payment:" followed by four radio button options:

- Record a manual payment already made.
- Create & calculate a manual payment now.
- Create a manual payment to be included & printed in next Payrun.
- Perform a "what if" gross to net calculation.

At the bottom of the window, there are three dropdown menus:

- Company:
- Pay Group:
- Employee:

At the very bottom of the window are three buttons: "Help", "Cancel", and "Next".

Figure 6 - 3 Manual Payment Assistant

Select the required type of payment, the second screen of the assistant will vary depending on the type of payment selected.

- **Recording a manual payment that has already been made**, independently from ADP freedom. This is for recording purposes and does not produce an actual payment through Freedom. It does allow you to produce a payslip, if you require. It does not include a BACS option.
- **Create and calculate a manual payment now**. This option is for calculating and recording a payment to be made outside Freedom and does not produce a payment of any sort. It provides an option for you to produce a payslip (and may display BACS on the payslip). It does not include a BACS option.

Note: This is the preferred option to use for End of Year adjustments.

- **Create a manual payment to be included and printed in the next payrun**. This option allows you to enter a payment that will be included in the next payrun and thus paid through Freedom. A BACS option is available if this payment method is required and a payslip will be produced.

Note: This type should never be used to make End of Year adjustments as it causes issues with the EOY figures being assigned to the correct tax year submissions.

- **Perform a “what if” gross to net calculation**. This type of payment provides the user with the facility to enter a combination of different earnings and deductions to find what the resulting net payment would be. Once the optimum results had been calculated, then the user would select a payment type from the previous three options to make the actual payment.

Record a Manual Payment Already Made

If the user is recording a manual payment that has been made independently from ADP freedom, then when the **Next** button is selected from the foot of the first Assistant screen, the second screen is that displayed is shown in Figure 6 - 4.

The screenshot shows the 'Manual Payment Assistant - Windows Internet Explorer' window. The URL is http://bmsvmukqaws3.fo.bms.uk.com/ManualPayment.asp?Employee_code=C023&BU_code=BE02&EE_payroll_code=001&Empl_no=001&Payrun_entry_c. The page title is 'Enter details:'.

Payment Methods:

Payment Method Code	Payment Method Description	Amount
Q	Cheque	200.00
C	Cash	40.00

Comments:

Pressure sealed payslip required?:

Company: Framer Distribution Centre (FDC)
Pay Group: Framer Distribution Weekly (BE1)
Employee: Connolly, Kenneth (C023)

Help Record a manual payment already made Cancel Back Next

Figure 6 - 4 Manual Payment Assistant – Record existing payment screen 2

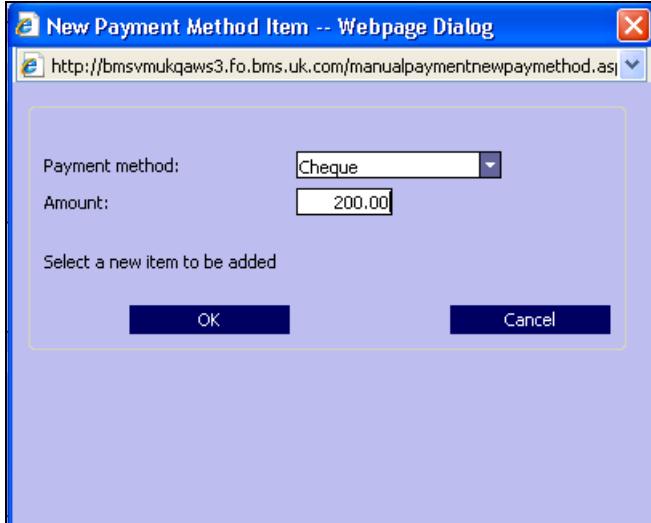
For this type of manual payment, all of the payment details can be entered. Complete the form by referring to the table below:

Record existing payment screen 2 - field descriptions

Table 6 - 1 Field descriptions – Manual payment, record existing payment screen 2

Field	Description
Payment date	The date that the payment was made. This date cannot be from the previous tax year when the end of year processing has already been completed.
Tax Year	The tax year is read only and is derived from the payment date.
Tax period	The tax period is read only and is derived from the payment date.
Actual net pay	The actual amount that was paid to the employee after all deductions had been taken.

Field	Description
Derive GL Business code	Where this box is checked, it means that if the user overrides the cost centre code for a given earnings or deduction in the Item Detail page then we will use that cost centre's GL business code in the override. The user can still override this if required. If the box is not checked, it means user can override the cost centre without overriding the GL business code.
Recover net brought forward	For this type of payment, (one that has already been made) this box would be checked if the person who made the payment had included a net recovery in the payment. Checking this box adds two extra items to the Deductions grid, later in the Assistant screens, NETBF and ROUNDBF. The user can amend the values in this grid if errors have been made in the net recovery deductions.
Comments	The user can record any other details about the payment in this field. A possible entry could be a cheque number.
Pressure sealed payslip required?	Tick this box if a pressure sealed payslip is to be produced for the employee to support the payment, even though it has already been made. The payslip will be produced in the next payrun. It will include the payment details but will not include any year to date payment totals.
Payment Methods	<p>This Payment method grid lists the payment method items that have been entered using the Add pay method button described below. ADP freedom confirms that the total entered in these columns matches the figure entered into the Actual net pay field.</p> <p>Note the list does not include BACS option.</p>

Field	Description
Add Pay Method	<p>Click this button to display the New Payment Method Item dialog. Select the method used to pay all or part of the manual payment and enter the amount paid using the method. Then click OK.</p> <p>Several payment method items can be entered to record the manual payment e.g. if the payment was made partly in cash and partly by cheque.</p> 
Remove Pay Method	<p>This button is used to delete a payment method item from the Payment Methods grid above. Click on a payment item in the grid, then click this button.</p>

Once this screen has been completed, click **Next**. If there are any fields that require information but have not been completed, ADP freedom will issue an error message identifying the fields that still need to be completed.

If ADP freedom has all the necessary information that it requires the **Manual Payment Assistant** then moves onto the third screen.

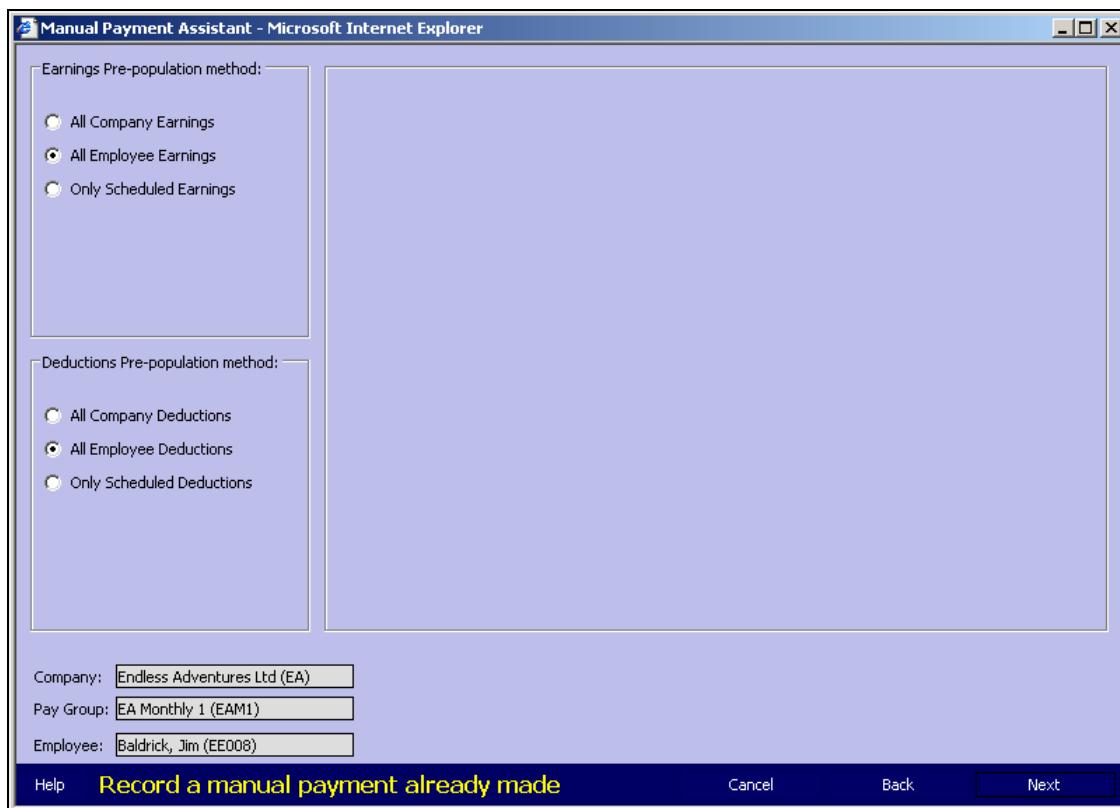


Figure 6 - 5 Manual Payment Assistant – Record existing payment screen 3

This screen is used to select the set of earnings and deductions that will appear on the manual payment calculation page. The selected type of earnings and deductions can be further refined on the next Assistant screen.

Record existing payment screen 3 - field descriptions

Table 6 - 2 Field descriptions – Manual payment, record existing payment screen 3

Field	Description
All company earnings	If this option is selected, the Assistant page that follows displays a list of company earnings from which you can select the relevant types.
All employee earnings	If this option is selected, the Assistant page that follows displays a list of employee earnings from which you can select the relevant types.

Field	Description
Only scheduled earnings	<p>If this option is selected, then the next Assistant page displays a list of earnings that the employee normally receives. This option would probably be selected where an employee has been missed from a given payrun and they now require a manual payment based on the same set of rules that applied to the missed payrun.</p> <p>If you select this option then the Assistant screen displays a list of pay calendar entries, as shown in Figure 6 - 6, from which you can select the calendar that reflects the relevant scheduled earnings. Once you select the required calendar, the lower half of the Assistant screen displays the actual list of earnings and deductions associated with that calendar.</p> <p>Note: <i>The pay calendar selected here provides the Assistant with a set of earnings and deductions that are used as a basis to populate the next page of the Assistant. You are not limited to this set, they can be added to, and existing ones can be deleted if required.</i></p>
All company deductions	<p>If this option is selected, the Assistant page that follows displays a list of company deductions from which you can select the relevant types.</p>
All employee deductions	<p>If this option is selected, the Assistant page that follows displays a list of employee deductions from which you can select the relevant types.</p>
Only scheduled deductions	<p>If this option is selected, then the next Assistant page displays a list of deductions that the employee normally receives. This option would probably be selected where an employee has been missed from a given payrun and they now require a manual payment based on the same set of rules that applied to the missed payrun.</p> <p>If you select this option then the Assistant screen displays a list of pay calendar entries, as shown in Figure 6 - 6, from which you can select the pay calendar that reflects the relevant scheduled deductions. Once you select the required calendar, the lower half of the Assistant screen displays the actual list of earnings and deductions associated with that calendar.</p> <p>Note: <i>The pay calendar selected here provides the Assistant with a set of earnings and deductions that are used as a basis to populate the next page of the Assistant. The user is not limited to this set, they can be added to, and existing ones can be deleted if required.</i></p>

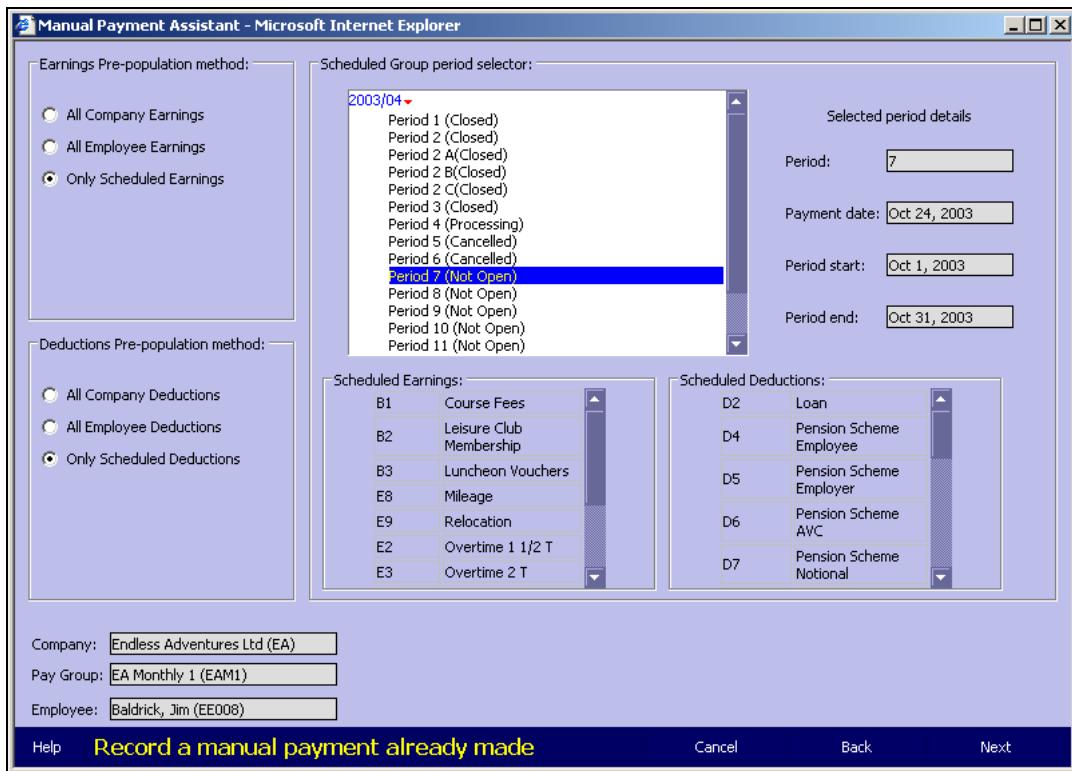


Figure 6 - 6 Manual Payment Assistant – Record payment already made Screen 3 – Only scheduled

The following rules apply for the Tax Periods that will be available for selection:

- You can only select Tax Periods/Tax Year that are earlier than the Tax Period and Year that has been derived from the payment date, not later.
- The selectable Tax Periods will only be those where the employee has not previously received taxable (or more accurately NICable) pay.
- The list will only include periods from the same Tax Year, or the Tax Year immediately previous, for the payment date entered on Screen 2.
- The list will not include any periods prior to ADP freedom going Live.
- Only Periods effective for the duration of the Payroll Profile will be displayed, with the exception of the next Pay Calendar to be processed will be displayed.

Ie. If the Payroll Profile ended in Tax Month 2 and the next Calendar to be processed is Tax Month 5, the periods available for selection would be Tax Month 1, 2 & 5 for the current Tax Year (assuming that the Profile was effective in Month 1. Previous Year Tax Months may be displayed depending on whether NI present.)

Once the options have been selected, click **Next**.

Earnings		
Selected	Code	Description
<input checked="" type="checkbox"/>	B1	Course Fees
<input checked="" type="checkbox"/>	B2	Leisure Club Membership
<input checked="" type="checkbox"/>	B3	Luncheon Vouchers
<input checked="" type="checkbox"/>	E8	Mileage
<input checked="" type="checkbox"/>	E9	Relocation
<input checked="" type="checkbox"/>	E2	Overtime 1 1/2 T
<input checked="" type="checkbox"/>	E3	Overtime 2 T
<input checked="" type="checkbox"/>	E4	Bonus
<input checked="" type="checkbox"/>	E5	Commission
<input checked="" type="checkbox"/>	E10	Subsistence
<input checked="" type="checkbox"/>	E1	Basic Pay

Deductions		
Selected	Code	Description
<input checked="" type="checkbox"/>	D3	Sports and Social
<input checked="" type="checkbox"/>	D1	Union

Company: Endless Adventures Ltd (EA)
 Pay Group: EA Monthly 1 (EAM1)
 Employee: Baldrick, Jim (EE008)

Help **Record a manual payment already made** Cancel Back Next

Figure 6 - 7 Manual Payment Assistant – Record existing payment screen 4

If you had selected **All Company Earnings** and **All Company Deductions** from the previous screen then the screen above would contain the complete list of company earnings and deductions that have a status of active at the date that the manual payment is to be made. In this case, active means that the earnings and deductions that have start and end dates that span the date that the manual payment is to be made.

If you had selected **All Employee Earnings** and **All Employee Deductions** from the previous screen then, as above the screen in Figure 6 - 7 would display all active earnings and deductions for the employee. If set goals have been met then the applicable earning or deduction will not be displayed.

The type of manual payment(s) to be made, are then selected by clicking the appropriate boxes adjacent to the earnings and deductions that are to be included. You can elect to **Select All** or **Deselect All**, by clicking the buttons provided. Once the required selections have been made, click **Next**.

The fifth screen of the **Manual Payment Assistant**, Figure 6 - 8, is where you enter the actual amounts for the manual payment, the screen includes tabs for earnings, deductions, court orders (attachment of earnings), taxes and a summary. Refer to Table 6 - 3 for information on how to complete the data entry grids.

Manual payment Earnings tab

Earnings		Deductions		Attachment Orders		Student Loan		Taxes/NI		Summary	
Earnings Description		Input			Calculated Amount						
		Quantity	Rate	Amount							
Bonus				30.00							
Non Niable				0.00							
Overtime 2 T				66.00							

Totals

Earnings:	0.00
Deductions:	0.00
Attachment Orders:	0.00
Student Loans:	0.00
Taxes/NI:	0.00
Net Pay	0.00

Item Detail New Item Delete Item Change item sequence: ▲ ▼ View Calculation Errors/Warnings

Company: O'Toole Garden Furniture (OTGF) View Current Pending Items **Recalculation needed** Calculate

Pay Group: Head Office Monthly (HO1)

Employee: Dutton-Smith, David (A001)

Help **Create and calculate a manual payment now** Cancel Back Next

Figure 6 - 8 Manual Payment Assistant – Earnings entry grid

Record existing payment screen 5 - field descriptions

Table 6 - 3 Field descriptions – Manual Payment Assistant – Earnings data entry grid

Grid element	Description
Quantity	If the earning is calculated using a formula that uses a quantity such as hours, then this quantity can be entered and used in the calculation. Any value entered here will override any existing quantity.
Rate	If the earning is calculated using a formula that uses a rate such as overtime rate, then a rate can be entered for the formula to use. Any value entered here will override any existing rate.
Amount	If you already know the calculated amount for the earning, then you can enter that amount here. This will override any calculations that ADP freedom would have processed if you had used the Quantity and Rate fields. If you entered values in the Rate and Quantity fields and the resulting amount is not correct then this amount can be overridden by making the correct entry into to Amount field.

Grid element	Description
Calculated Amount	This is a read only field that displays the calculated amount. This field will be populated after the user has clicked the Calculate button.
Item buttons	
Item Detail	<p>This relates to the item that is currently selected within the data entry grid, for the Earnings tab it may be Regular Pay or Overtime for instance, or for the Deductions tab, it may be something like Union Dues. If selected, this button allows you to enter overrides into various fields. The initial five fields reflect the fields and values from the original grid entries.</p> <ul style="list-style-type: none"> • Cost Centre Override – This is a drop down box that contains a list of cost centres that are relevant to the company. If no cost centre is selected from this drop down, then the selected item will be costed against the employees default cost centre as defined by their appointment record. • GL Overrides – You can enter one, two or three General Ledger (GL) overrides as required. As above, if no override is selected then the selected item will be costed against the employees default GL codes. If the Derive Business Code indicator has been set on the Manual Payment Assistant's second screen, it means that if the user overrides the cost centre code then the cost centre's GL business code will automatically be displayed in the GL Business Code field. This can still be overridden if required. • Transaction – For earnings, you can elect to enter a transaction date for the earning. This field allows the user to specify the date for which the earning was made. For instance, if overtime was worked on 24/11/2003, then this date could be entered here against that earning. A comments field is provided for you to supply additional information about the earning.
New Item	This button allows you to add new earnings items to the grid. Once selected, a list of all company earnings that are active for the payment date is made available from a dropdown list. You can even select an earnings that is already displayed on the grid, this is useful if the user wants to breakdown that earning for any particular reason, for instance 2 hours overtime worked on 24/11/2003 and 3 hours overtime worked on 25/11/2003.
Delete Item	If selected, this button deletes the item that is currently selected within the grid.

Grid element	Description
Change Item Sequence	These two buttons can be used to change the order that items appear in the grid. The item that is currently selected within the grid can be moved up or down the order by selecting the appropriate button. This is a purely visual feature, as the position of items within the grid has no effect on the calculation process.
View Calculation Errors/Warnings	This button remains disabled until ADP freedom has performed the calculation. Once the calculation has been made and this button is selected, the Manual Payment Detail Viewer is launched. The relevant Errors and Warnings report can be selected from the Viewer menu on the left of the screen as shown in Figure 6 - 16.

Manual payment Deductions tab

The screenshot displays the 'Deductions' tab of the Manual Payment Assistant. The main area is a data entry grid with columns for Deduction Description, Input (Quantity, Percentage, Amount), and Calculated Amount. The grid contains rows for Loan, Sports and Social, Pension Scheme Employee, Pension Scheme Employer, Pension Scheme AVC, and Pension Scheme Notional. To the right is a 'Totals' summary section showing values for Earnings, Deductions, Attachment Orders, Student Loans, Taxes/NI, and Net Pay. At the bottom are buttons for Item Detail, New Item, Delete Item, Change item sequence, View Calculation Errors/Warnings, Recalculation needed, Calculate, and navigation links like Help, Create and calculate a manual payment now, Cancel, Back, and Next.

Figure 6 - 9 Manual Payment Assistant – Deductions entry grid

Table 6 - 4 Field descriptions – Manual Payment Assistant – Deductions data entry grid

Grid element	Description
Quantity	If the deduction is calculated using a formula that uses a quantity such as hours, then this quantity can be entered and used in the calculation. Any value entered here will override any existing quantity.

Grid element	Description
Percentage	If the deduction is calculated using a formula that uses a percentage such as percentage of basic rate, then a percentage can be entered for the formula to use. Any value entered here will override any existing percentage rate.
Amount	If you already know the calculated amount for the deduction, then you can enter that amount here. This will override any calculations that ADP freedom would have processed if you had used the Quantity and Percentage fields. If the user has entered values in the Rate and Quantity fields and the resulting amount is not correct then this amount can be overridden by making the correct entry into to Amount field.
Arrears Recovery	If there is a predefined amount of arrears that is to be recovered from the employee, then that amount can be entered here.
Calculated Amount	This is a read only field that displays the calculated amount. This field will be populated after the user has clicked the Calculate button.
Item buttons	
Item Detail	<p>This relates to the item that is currently selected within the data entry grid, for the Deductions tab, it may be something like Union Dues. If selected, this button allows you to enter overrides into various fields. The initial five fields are read only and reflect the fields and values from the original grid entries.</p> <ul style="list-style-type: none"> • Cost Centre Override – This is a drop down box that contains a list of cost centres that are relevant to the company. If no cost centre is selected from this drop down, then the selected item will be costed against the employees default cost centre as defined by their appointment record. • GL Overrides – The user can enter one, two or three General Ledger (GL) overrides as required. As above, if no override is selected then the selected item will be costed against the employees default GL codes. If the Derive Business Code indicator has been set on the Manual Payment Assistant's second screen, it means that if the user overrides the cost centre code then the cost centre's GL business code will automatically be displayed in the GL Business Code field. This can still be overridden if required.

Grid element	Description
New Item	This button allows you to add new deductions items to the grid. Once selected, a list of all company deductions that are active for the payment date is made available from a dropdown list. You can even select a deduction that is already displayed on the grid, this is useful if the user wants to breakdown of that deduction for any particular reason.
Delete Item	If selected, this button deletes the item that is currently selected within the grid.
Change Item Sequence	These two buttons can be used to change the order that items appear in the grid. The item that is currently selected within the grid can be moved up or down the order by selecting the appropriate button. This is a purely visual feature, as the position of items within the grid has no effect on the calculation process.
View Calculation Errors/Warnings	This button remains disabled until ADP freedom has performed the calculation. Once the calculation has been made and this button is selected, the Manual Payment Detail Viewer is launched. The relevant Errors and Warnings report can be selected from the Viewer menu on the left of the screen as shown in Figure 6 - 16.

Note: If, on the second screen of the assistant, the **Recover Net Brought Forward** box has been selected, there will be two extra items at the top of the grid. **NETBF** and **ROUNDBF** will be pre-populated with amounts from the employee's payroll profile. These amounts can be overwritten if required.

Manual Payment Attachment Orders tab

The screenshot shows the 'Attachment Orders' tab selected in the top navigation bar. The main area is a grid with columns: Type, Attachment Number, Input Amount, and Calculated Amount. Below the grid are buttons for 'Item Detail', 'View Calculation Errors/Warnings', 'Recalculation needed' (highlighted in red), and 'Calculate'. At the bottom, there are buttons for 'Help', 'Create and calculate a manual payment now', 'Cancel', 'Back', and 'Next'. On the right side, there is a 'Totals' summary section with breakdowns for Earnings, Deductions, Attachment Orders, Student Loans, Taxes/NI, and Net Pay, all showing 0.00.

Figure 6 - 10 Manual Payment Assistant – Attachment order entry grid

The attachment order grid will be pre-populated with any active court orders that the employee has against them as at the date of the manual payment.

Table 6 - 5 Field descriptions – Manual Payment Assistant – Attachment order data entry grid

Grid element	Description
Type	This column gives a description of each attachment order that is currently recorded against this employee.
Order number	The sequence number of attachment orders against this employee.
Percentage	If the attachment order deduction is calculated using a formula that uses a percentage, such as percentage of basic rate, then a percentage can be entered for the formula to use. Any value entered here will override any statutory percentage.
Basis	This will be the earning on which the percentage is based, for instance it could be regular pay. Any value entered here will override any statutory basis.

Grid element	Description
Amount	If you already know the calculated amount for the deduction, then that amount can be entered here. This will override any calculations that ADP freedom would have processed if the user had used the Percentage and Basis fields . Entering an amount here can also override the calculated amount that used the Percentage and Basis fields.
Calculated amount	This is a read only field that displays the calculated amount. This field will be populated after the user has clicked the Calculate button.
Item buttons	
Item Detail	This relates to the item that is currently selected within the data entry grid, for the Earnings tab it may be Regular Pay or Overtime for instance, or for the Deductions tab, it may be something like Union Dues . If selected, this button allows you to enter overrides into various fields. The initial five fields reflect the fields and values from the original grid entries.
New Item	This button allows you to add new court order items to the grid.
Delete Item	If selected, this button deletes the item that is currently selected within the grid.
Change Item Sequence	These two buttons can be used to change the order that items appear in the grid. The item that is currently selected within the grid can be moved up or down the order by selecting the appropriate button. This is a purely visual feature, as the position of items within the grid has no effect on the calculation process.
View Calculation Errors/Warnings	This button remains disabled until ADP freedom has performed the calculation. Once the calculation has been made and this button is selected, the Manual Payment Detail Viewer is launched. The relevant Errors and Warnings report can be selected from the Viewer menu on the left of the screen as shown in Figure 6 - 16.

Manual Payment Student Loan tab

The Student Loan tab will be pre-populated with the details of the employee's student loan, if applicable. This tab is completed in the same way as the Attachment Orders tab described above.

Manual Payment Taxes tab

Figure 6 - 11 Manual Payment Assistant – Taxes entry grid

The Taxes tab displays the grid as shown in Figure 6 - 11. Refer to Table 6 - 6 for information on how to complete the grid.

Table 6 - 6 Field descriptions – Manual Payment Assistant – Taxes data entry grid

Grid element	Description
Jurisdiction	This is the tax jurisdiction that the company operates within which, in all cases, will be the UK.
Tax	This column gives a description of all the relevant taxes. Currently these are; Income tax, Employee National Insurance, Employer National Insurance (only if the Show Employer taxes box has been selected).
Input Amount	ADP freedom provides you with the facility to input tax amounts directly into this column. If the Input Amount field is left blank, then ADP freedom will calculate the amounts based on their respective formulae.
Calculated amount	This is a read only field that displays the calculated amount from the relevant system formulae. This field will be populated after you click the Calculate button.

Grid element	Description
Show Employer taxes	If this box is populated, then ADP freedom will display the Employers National Insurance payments in respect of this manual payment. The system calculates the payment regardless of whether the box is selected or not, this simply provides the user with the option of viewing that amount.

Manual payment Summary tab

Summary	
Item	Value
Earnings:	
Bonus	30.00
Non Niable	0.00
Overtime 2 T	66.00
	96.00
Deductions:	
Loan	0.00
Sports and Social	0.00
Pension Scheme Employee	0.00
Pension Scheme Employer	0.00
Pension Scheme AVC	0.00
Pension Scheme Notional	0.00
	0.00
Attachment Orders:	
	0.00
Student Loans:	
	0.00

Totals

Earnings:	96.00
Deductions:	0.00
Attachment Orders:	0.00
Student Loans:	0.00
Taxes/NI:	28.22
Net Pay	67.78

Company: O'Toole Garden Furniture (OTGF) View Current Pending Items Calculate

Pay Group: Head Office Monthly (HO1)

Employee: Dutton-Smith, David (A001)

Help **Create and calculate a manual payment now** Cancel Back Next

Figure 6 - 12 Manual Payment Assistant – Summary

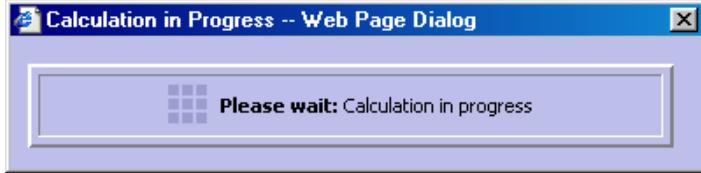
The **Summary** tab displays a breakdown of the manual payment, after ADP freedom has completed the calculation, as shown in Figure 6 - 12.

This detailed summary can be printed off onto a local printer by selecting the **View Printable Summary** button, and then selecting print.

The **View Calculation Errors/Warnings** button remains disabled until ADP freedom has performed the calculation. Once the calculation has been made and this button is selected, the **Manual Payment Detail Viewer** is launched. The relevant **Errors and Warnings** report can be selected from the Viewer menu on the left of the screen as shown in Figure 6 - 16.

Manual Payment Assistant - Other fields and controls

Table 6 - 7 Field descriptions – Manual Payment Assistant – Other fields and controls

Totals	
This area displays the totals from each tabbed category, it is only populated after the Calculate button has been clicked and ADP freedom has performed the calculations successfully.	
Earnings	The total of all earnings categories for this payment.
Deductions	The total of all deductions categories for this payment.
Court Orders	The total of all court orders categories for this payment.
Student Loan	The total of all student loans categories for this payment.
Taxes	The total of all taxes categories for this payment.
Net pay	The final payment amount that the employee actually receives for this manual payment.
View Current Pending Items	This button allows the user to view any existing manual payments that the employee may have waiting to be committed. Any manual payment in this state, i.e. pending, may affect payments that the user was intending to make in this new manual payment, see Figure 6 - 14.
Calculate	Once the user has entered all the payment and deduction values and the Calculate button is clicked, ADP freedom runs the calculation process. The calculate button is enabled and will have a red surround to indicate that the calculation engine is available. While the calculation process is running, the dialog box shown in Figure 6 - 13 is displayed.
	 <p>Figure 6 - 13 Calculation in progress</p>

Manual payment – View pending

You should view any other pending manual payments, or payslip reversals to establish whether these pending items affect the manual payment that is about to be made. Clicking on the **View Current Pending Items** button launches the **View Current Pending Items** screen as shown in Figure 6 - 14.

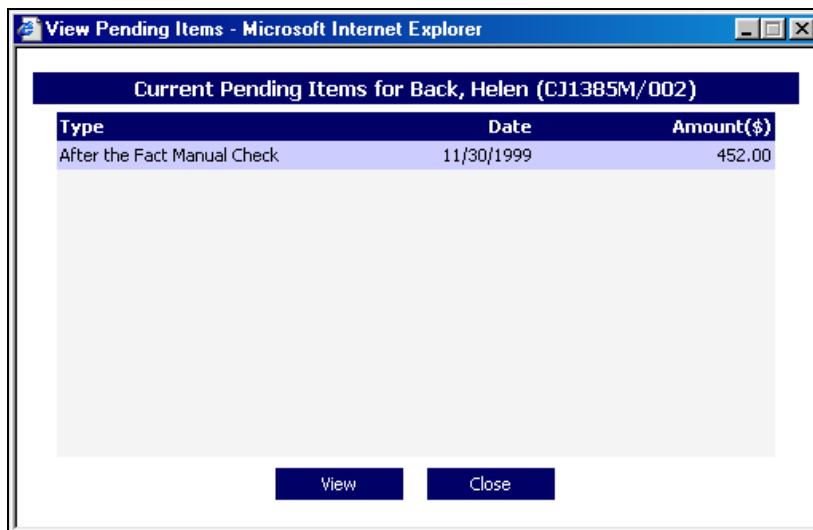


Figure 6 - 14 Manual payment - View pending items

From the list of pending items, individual items can be viewed in more detail by either double clicking the item, or by selecting the item and clicking on **View**.

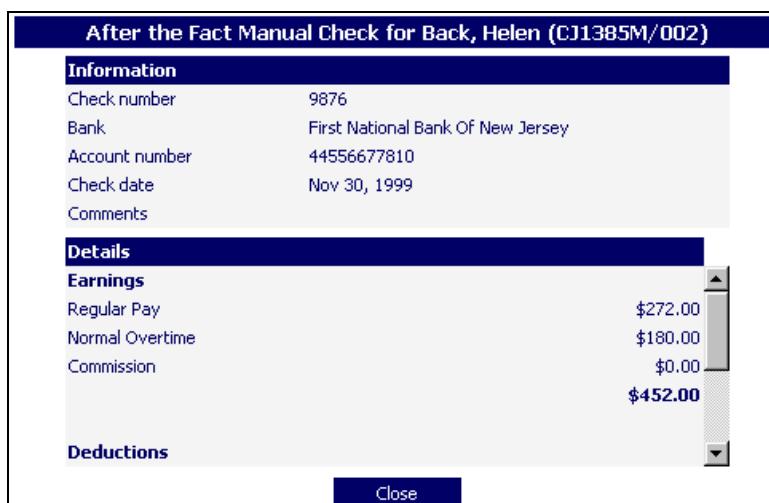


Figure 6 - 15 Manual Payment – Viewing a pending item in more detail

Manual Payment Detail Viewer

Errors and warnings created when ADP freedom calculates the payment, are displayed here.

Figure 6 - 16 Manual Payment Detail Viewer

Create and calculate a manual payment now

This type of manual payment is included, specifically, to calculate and issue an employee's pay immediately. This type of payment may be required in the case of compassionate leave or when an employee has been dismissed and asked to leave. The **Manual Payment Assistant** processes this type of payment in exactly the same way as for a manual payment already made, with the following exceptions:

- The payment date would normally be today's date
- The payment, either cash or cheque, would be made immediately after the calculation process was completed and validated
- A manual payslip would normally be issued.

Create a manual payment to be included and printed in the next payrun

This type of manual payment may be processed if, for any reason, an employee was missed off a regular payrun. The following applies:

- A payslip is produced and printed in the next payrun.
- The user may select BACS as a method of payment.
- The Payment date will default to the pay date of the next uncommitted pay calendar payment date.
- End of year processing does not prevent these types of payments.
- Period End date will default to the Tax Period and Tax Year of the next uncommitted pay calendar payment date.

The Pay date will determine the Tax Year that all payments are accounted for and not the Pay Period End date.

Note: *If you are expecting the next Calendar to be a Special Calendar, but the Payment date is not shown, please ensure that you have included ‘Pending Items’ in the Pay Calendar. Company > Pay Group > Maintain Pay Calendar ‘Include pending items’.*

Perform a ‘What If’ gross to net calculation

The Manual Payment Assistant provides the user with the facility to enter a combination of different earnings and deductions to find what the resulting net payment would be.

If user selects the ‘**what if**’ type then the page displays a box for user to enter the effective date of the ‘**what if**’ calculation.

Once the optimum results had been calculated, then the user would select a payment type from the previous three options to make the actual payment.

The ‘**What if**’ process does not store any resulting totals and should be used purely as an aid.

The Calculate Process Summary

Once you have entered the manual payment details on all of the **Manual Payment Assistant** tabs and clicked the **Calculate** button, ADP freedom performs the required calculations and enters the amounts into the **Calculated Amounts** fields of the individual tabs and into the **Totals** area. Any errors and warnings can be viewed from the **Manual Payment Viewer** and you can return to any stage to correct the details, where necessary.

In all cases, other than the ‘**What if**’ process, the calculation results are placed into a pending area until being processed in the next payrun. Up until the point where the payrun is committed, individual manual payments can be selected and amended or even deleted.

Exiting the Manual Payment Assistant

The final screen of the assistant, Figure 6 - 17, confirms that the manual payment has been calculated, the totals are now in a pending area awaiting the next payrun to sweep them up. Once you click **Finish**, the **Manual Payment Assistant** closes and ADP freedom displays the **Payment > Manual Payment** page with the newly created manual payment included in the list of manual payments for that employee.



Figure 6 - 17 Manual Payment Assistant – Final screen

Deleting a Manual Payment

A manual payment can be deleted up until the point where it has been included in a payrun and committed to the ADP freedom database. There are two exceptions to this, firstly a manual payment cannot be deleted if an employee has had a P45 produced, and secondly, the manual payment should not be deleted if a payslip has been issued to the employee. In the second case, ADP freedom does not prevent the deletion, mainly because if a manual payslip has been issued ADP freedom has no way of knowing, but it does issue a warning.

To delete a manual payment:

- Select **Payment > Manual Payment**.
- Select the relevant employee from the central pick list
- Select the manual payment that is to be deleted from the list displayed in the right hand details page
- Select **Delete Payment** from the button bar at the foot of the details page.

Manual Payments via BACS

The table below summarises the use and effect of

Source of Pending Item	Payment via BACS			
	Salaries	Deductions	Employers Contributions	Inland Revenue
Manual Payment Type 1	✗	✗	✗	✓
Manual Payment Type 2	✗	✗	✗	✓
Manual Payment Type 3	✓	✓	✓	✓
Payslip Reversal	✗	✓ Consolidated only	✓ Consolidated only	✓
Accumulator Adjustment	✗	✗	✗	✗

Chapter 7 – Payslip Reversals

The Process

The purpose of payslip reversals is to allow for the reversal of all the individual items associated with a payslip. Earnings, deductions tax etc. There are four occasions when Payslip reversal is not permitted:

- After a P45 has been produced.
- After **Year End** calculations have been completed.
- When a payslip has already been selected for reversal and is in a pending state.
- While a payrun is currently being calculated.

Payslip reversal is achieved via the **Payslip Reversal Assistant**. Entry to the assistant is via the menu option, **Payment > Payslip reversal**.

On entry to the assistant you are presented with a page that displays two distinct lists as shown in Figure 7 - 1. The Payslip Reversal Assistant has two options, selectable from the **Please select the action that you wish to perform** drop-down, these are:

- Reverse Payment(s)
- Undo Reversals

Payment Date	Amount	Disbursement	Status
15/04/2005	P £413.19	Cheque	Open
08/04/2005	P £388.95	Cheque	Open

Payment Date	Amount	Disbursement	Status
15/04/2005	P £413.19	Cheque	Open
08/04/2005	P £388.95	Cheque	Open

Figure 7 - 1 Payslip Reversal Assistant with **Reverse Payments** selected from the drop-down options

Reverse Payments

By default, the initial display is configured for **Reverse Payments**. The left-hand list displays all of the employee's payslips, for the present tax year, along with the payslip status. The present tax year, in this particular case, means the latest tax year for this employee's pay group, or groups, that have not yet gone through the **Year End** process.

The right-hand list displays the payslips from the left-hand list that qualify as reversible. Payslips that cannot be reversed include those that have a status of:

- **Reversed** – These payslips have already been reversed and therefore would only be available for the **Undo Reverse** option.
- **Pending** – These payslips have previously been selected to reverse and are awaiting the next pay run.

It follows then that the only payslips that are available to Reverse are payslips with a status of:

- **Open** – These payslips are not associated with pay groups that have completed the Year End process, are not **Pending** reversal and do not have the status of **Reversed**.

If payslips are to be reversed, then the action must be performed in chronological order, with the latest payslip being reversed first. For this reason, the payslip at the top of the list, the latest, is pre-selected.

The left-hand pane of this page of the **Payslip Reversal Assistant** contains buttons offering the following options:

- **Select All** – allowing all displayed entries to be selected.
- **Deselect All** –allowing all selected entries to be deselected.
- **Details**- displays payment information that makes up the net pay of the payslip.

The right-hand pane of this page of the **Payslip Reversal Assistant** contains buttons offering the following options:

- **Select All** – allowing all displayed entries to be selected.
- **Deselect All** –allowing all selected entries to be deselected.
- **Details**- displays payment information that makes up the net pay of the payslip.

At the foot of the page the **Payslip Reversal Assistant** has buttons offering the following options:

- **Reverse** – flag the selected payslip(s) to be reversed to become pending reversal.
- **Cancel** – remove from pending reversal those payslips selected.

To select multiple payslips to reverse, simply click the oldest paylip in the right-hand pane that is to be reversed. This will result in all payslips, from the first to the one clicked, being selected for reverse.

Once the relevant payslips are selected, click on the **Reverse** button. ADP freedom issues the following warning message.

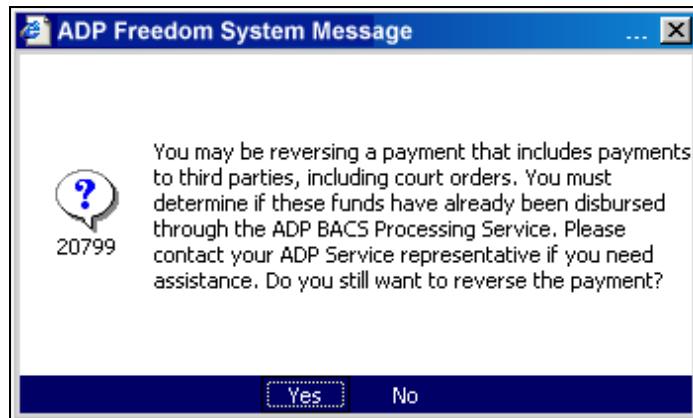


Figure 7 - 2 Payslip Reversal – System Message

The status of the payslips selected, changes to **Pending**, awaiting the next payrun for the associated Pay Group.

Undo Reversal(s)

If a payslip has been reversed by mistake, there is the option to undo the reversal. Entry to the assistant is via the menu option, **Payment > Payslip reversal**.

On entry to the assistant the user is presented with a page that displays two distinct lists as shown in Figure 7 - 1. The Payslip Reversal Assistant has two options, selectable from the **Please select the action that you wish to perform** drop-down, these are:

- Reverse Payment(s)
- Undo Reversal(s)

To undo a reversal, select **Undo Reversal(s)** from the drop-down list.

Payslip Reversal Assistant -- Web Page Dialog

Payments for employee: Smithson, Elizabeth (EE102/002) Please select the action you wish to perform: Undo Reversal(s)																																			
Payslips since year end completion <table border="1"> <thead> <tr> <th>Payment Date</th> <th>Amount</th> <th>Disbursement</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>23/07/2004</td> <td>P £500.91</td> <td>Cash</td> <td>Pending</td> </tr> <tr> <td>25/06/2004</td> <td>P £2734.06</td> <td>Cash</td> <td>Pending</td> </tr> <tr> <td>25/05/2004</td> <td>P £2312.72</td> <td>Cash</td> <td>Open</td> </tr> <tr> <td>23/04/2004</td> <td>P £1603.13</td> <td>Cash</td> <td>Open</td> </tr> </tbody> </table>		Payment Date	Amount	Disbursement	Status	23/07/2004	P £500.91	Cash	Pending	25/06/2004	P £2734.06	Cash	Pending	25/05/2004	P £2312.72	Cash	Open	23/04/2004	P £1603.13	Cash	Open	Payslips available for 'Undo Reversal' <table border="1"> <thead> <tr> <th>Payment Date</th> <th>Amount</th> <th>Disbursement</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>25/06/2004</td> <td>P £2734.06</td> <td>Cash</td> <td>Pending</td> </tr> <tr> <td>23/07/2004</td> <td>P £500.91</td> <td>Cash</td> <td>Pending</td> </tr> </tbody> </table>		Payment Date	Amount	Disbursement	Status	25/06/2004	P £2734.06	Cash	Pending	23/07/2004	P £500.91	Cash	Pending
Payment Date	Amount	Disbursement	Status																																
23/07/2004	P £500.91	Cash	Pending																																
25/06/2004	P £2734.06	Cash	Pending																																
25/05/2004	P £2312.72	Cash	Open																																
23/04/2004	P £1603.13	Cash	Open																																
Payment Date	Amount	Disbursement	Status																																
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23/07/2004	P £500.91	Cash	Pending																																
<input type="button" value="Details"/> <input type="button" value="Select All"/> <input type="button" value="Deselect All"/>		<input type="button" value="Details"/> <input type="button" value="Select All"/> <input type="button" value="Deselect All"/>																																	
<input type="button" value="Help"/> <input type="button" value="Undo"/> <input type="button" value="Finish"/>																																			

Figure 7 - 3 Payslip Reversal Assistant with **Undo Reversals** selected

The left-hand list displays all of the employee's payslips, for the present tax year, along with the payslip status. The present tax year, in this particular case, means the latest tax year for this employee's pay group, or groups, that have not yet gone through the **Year End** process.

Only payslips with a status of **Pending** reversal can have the reversal undone, consequently the right-hand list displays the payslips from the left-hand list that are pending reversal.

If payslips are to have their reversal undone, then the action must be performed in reverse chronological order, with the oldest payslip reversal being undone first. For this reason, the payslip at the top of the list, the oldest, is pre-selected.

How payslip reversals work

The actual mechanism of reversing a payslip has the following effect, for each payment made on the original payslip there is a corresponding deduction and for each deduction there is a corresponding payment. Table 7 - 1 shows an example, Column A being the amounts on the paid out on the original payslip and Column B being the reversals applied to the ADP freedom Employee accumulators.

Table 7 - 1 Payslip Reversal

	A	B
Earnings		
Basic Salary	500.00	-500.00
Overtime X1.5	50.00	-50
Deductions		
AVCs	30.00	-30.00
PHI cover	15.00	-15.00
Student Loan repayment	30.00	-30.00
Court Orders	20.00	-20.00
Tax	100.00	-100.00
National Insurance	45.00	-45.00
NET PAY	370.00	-370.00

Note: A maximum of 25 payslips can be reversed at any one time. If payslip reversal involves payments that have already been made to third parties, such as for court orders or BACS, then additional action must be taken to recover these funds. Contact the ADP representative if assistance is required.

Once the **Payslip reverse** button has been selected, the employee's resulting deductions and payments are held as pending items until the time of the next payrun for this employee. Once that payrun has been committed, then the database will be updated to reflect the reversed payslip(s).

The effect of the payslip reversal pending items on payments via BACS is summarised below.

	Payment via BACS			
Source of Pending Item	Salaries	Deductions	Employers Contributions	Inland Revenue
Payslip Reversal	✗	✓ Consolidated only	✓ Consolidated only	✓

Chapter 8 - Advance Payments

This section specifies how employees can be paid in advance. Advance payments are usually made for such occasions as holiday pay but can only be made to employees who have a pay frequency based on a weekly format. A weekly format includes weekly, fortnightly and lunar (4 weekly).

Advance payments can be scheduled in two ways, firstly by using the pay group calendar, and secondly directly by using PDE.

Using the pay group calendar to schedule advance payments

The pay group calendar can be used to schedule advance payments for such times when the payments will be due to the whole pay group. This may occur for instance, if the company closes for a company holiday. The following criteria must apply:

- The pay group is configured for automatic standard pay.
- The pay group is paid at a frequency of less than monthly.

To configure the pay groups pay calendar for advance of pay, select **Company > Company Setup > Pay group > Maintain Pay Calendar** from the main menu.

Maintain Pay Calendar 2005/06				
Tax to period	Suffix	Pay Date	Status	Deadline
Week 1		08/04/2005	Closed	06/04/2005
Week 2		15/04/2005	Closed	13/04/2005
Week 3		22/04/2005	Open	20/04/2005
Week 4		29/04/2005	Cancelled	27/04/2005
Week 5		06/05/2005	Cancelled	04/05/2005
Week 6		13/05/2005	Cancelled	11/05/2005

Description:

Frequency:

Type:

Tax to period: Suffix: Tax year:

Pay date:

Process Date:

Earnings period: to:

Advance Pay: Period(s).

Figure 8 - 1 Advance payment using the pay group pay calendar

- Select the pay period that the advance payments are to be made.

- Enter the number of periods that the advance of pay is to be made for into the **Advance Pay** box.

Note: In the screenshot above, the payment frequency is weekly and the advance pay is to be paid for three extra weeks. The normal payment plus the three weeks of advanced pay will be paid on the 22/04/2005. The following three pay dates on the pay calendar have been cancelled to reflect the weeks that will have been already been paid.

- Save the changes that have been made by clicking on the Save Pay Period button.
- Select each pay period for which the advance payment has been made and select the status of Cancelled from the drop-down Status list. Each time that the Cancelled status is selected, click on the Save Pay Period button.

For employees who are not set up for **Automatic Standard Pay**, then advance payments must be made via PDE.

Using PDE to schedule Advance Payments

Pay Data Entry must always be used for those employee's who are not in receipt of **Automatic Standard Pay**. Making advance payments through PDE is only slightly different from this in that to ensure correct National Insurance calculations ADP freedom must know the target tax period for these payments. This is achieved by ensuring that the PDE grid that is used for holiday pay has the Overrides **Target Tax Period** column selected.

Pre-requisites

It is assumed that a suitable PDE grid already exists for holiday pay, if not, follow the steps given on Page 2- 4 [Creating a PDE Grid](#). Ensure that the grid that is created includes the **Overrides** column **Target Tax Period**. The finished grid should appear something like the one below.

Weekly Mat / Period 3 (2005/06) Apr 18, 2005 - Apr 24, 2005 / HOLPAY - Holiday Pay							
- Active) Head Office - Managing Director							
Employee		Earnings		Deductions			Overrides
Name	X	Earnings Description	Earnings Amount	Deduction Code	F4	Deduction Description	Deduction Amount
Jones, Peter		Basic Pay	350.00 D3			Sports and Social	12.00
		Basic Pay	220.00 D3			Sports and Social	8.00 4
		Basic Pay	220.00 D3			Sports and Social	8.00 5
Shea, Maggie		Basic Pay	425.00				
	X						
Lawson, Lucy		Basic Pay	397.00				

Figure 8 - 2 PDE grid suitable for holiday pay

In the above grid, it can be seen that for Pay Period 3, Peter Jones will receive three different amounts of Basic Pay. The two extra amounts of £220.00 are holiday pay, paid in advance. When running in parallel mode and calculating National Insurance by the table method, ADP freedom must be informed which pay periods the advanced payments refer to (ie when would the payments have normally been made). The above grid has identified the target tax periods for the two advance payments as Period 4 and period 5 respectively and this will allow the correct calculation as per the NI table method.

The following procedure defines the steps required to make advance payments through PDE.

- From the main menu, select **Payment > Pay Data Entry**.
- From the centre frame selection list, select the Payroll Company, Pay Group and Pay Period for which the advance payment is to apply.
- Click on the New Batch button at the foot of the page.
- Complete the following fields:
 - Batch Code
 - Description
 - Grid Code (Select the grid code that has been created for holiday pay)
- Click on the Save Batch button at the foot of the page.

Note: Once the page has been saved, the **Open this Batch** button on the main page becomes enabled.

- Click on the **Open this Batch** button.
- Select the employees from this pay group who are to be scheduled to receive advanced pay.
- Enter the payments and deductions into the relevant columns for the first pay period.
- Place the mouse cursor into the row that has just been completed and right click.
- From the pop-up menu, select insert **Employee Row > New Row**.
- Enter the payments and deductions into the relevant columns for the first period of advanced pay.
- In the **Target Tax Period** column, enter the pay period that the pay period that the payment is being advanced for. For instance, if the pay period that the payment will actually be made is period 3, then the target tax period for the first row of advanced pay will be period 4.
- Repeat the above two steps for each additional period of advanced pay.
- Complete the same process for all employees in the grid.
- Ensure that the **Batch Totals** are in balance and click on the **Save** button.

The holiday pay batch has now been scheduled to be included in the next payrun for this pay group.