

BC TEACHERS SAVINGS PROCEDURE

SET-UP

1. Create **Summer Savings Advance** deduction code (4,2,8.1). Suggestion to use Group 0, Type 3 % of Net Pay.
2. Add deduction to all eligible employees "Global Deduction Changes" (1,1,8) or through Employee Changes (1,1,2) deduction master screen.
3. Remove the deduction from employees no longer participating
4. Create **Summer Saving Interest** money-only pay code (4,2,5.1). Exclude this pay code from deductions where applicable.
5. Create **Summer Savings Advance** Storage Bank Control (4,2,25.1). It must be type "S".
6. Create **Summer Savings Advance** Storage Bank Table Control (4,2,24.1). Fill in field 13 "Earn Percentage" =100 and define Advance deduction.
7. Create **Summer Savings Interest** Storage Bank Control (4,2,25.1). It should be type "A".
8. Create **Summer Saving Advance** Storage Bank Table Control (4,2,24.1). Fill in screen 2, field12= GL Liability and Expense GL, if applicable.
9. Add the **Summer Savings Advance** and **Summer Savings Interest** banks to all eligible employees. Ensure all eligible employees have both storage banks.
10. Run Pay Estimate (2,6,1) to verify summer savings deduction and storage banks are working correct.

IMPLEMENTATION

Each Pay Period:

1. Run Storage Bank Interest Calculation (2,9,25) for previous pay period.
2. Generate Payroll, following normal procedures.
3. Review Payroll Reports. Reconcile Advance deduction. The Summer Savings Advance amount in the "Summary Storage Bank Report" must equal the "Summer Saving Deduction Register" amount.
4. Update Payroll.

For Last June Pay:

1. Do regular Payroll Processing and Update.
2. Set up special pay runs to pay out summer advance and interest.
3. Run "Storage Bank Payout Distribution" (2,9,26)
4. Suspend batches created by the above payout process. Batch Suspension Process (2,2,10).

5. Un-suspend Batch for Special Pay Run "A".
6. Run Pay Processing for Special Pay Run "A".
7. Update Special Pay Run "A".

8. Un-suspend Batch for Special Pay Run "B".
9. Run Pay Processing for Special Pay Run "B".
10. Update Special Pay Run "B".

ALTERNATE - Use if tracking the advance outside OPS

1. Run Storage Bank Report (2,9,4) and choose Export.
2. Import into Excel and enter the employee's summer advance in the "Amount" column.
3. Import the file back into OPS using the Storage Bank Interface Process (4,1,10).

PROCEDURAL

This process extracts the employee's summer savings from the employees' net pay through a deduction code.

- Any deduction can be used but there is a % of Net Pay deduction, Group 0 Type 3, designed for this purpose.
- A new storage bank type 'S' has been developed that will copy the employees' deduction amount into the storage bank during Payroll Processing.
- By transferring the amount to an earnings storage bank we can then utilize the power of the storage bank reporting and even print the accumulated saving balance on the employee's earning statement.
- The storage bank entries are generated using a new transaction type of DD.

The following is an example of the new storage bank table setup. This new 'S' type storage bank allows for a list of deductions to be defined to determine the source of the entries. The storage bank table EARN PERCENTAGE field must also be completed. In this situation we want to capture 100%.

DEDUCTION STORAGE BANK (4,2,25.1)

STORAGE BANK CONTROL CHANGES			
01=BANK CODE	[01-99]	50	
02=DESCRIPTION			SUMMER PAY SAVINGS
03=BANK TYPE	[A/I/P/D/G/S]	S	
04=TRANSACTIONS	[H/E]	E	
05=PRINT BALANCES	[Y/N/S]	Y	
06=DEDUCTION LIST	[I/ECC,CC,]		
	I/97,		
FIELD # TO CHANGE <>			

DEDUCTION STORAGE BANK TABLE (4,2,24.1)

STORAGE BANK TABLE CONTROL - CHANGES			
01=BANK CODE	[01-99]	50	SUMMER PAY SAVINGS
02=TABLE CODE	[#####]	00001	
03=DESCRIPTION			SUMMER SAVINGS
04=TABLE END TYPE	[Y/A]		11=BANK CYCLE [C]
05=TRANSACTIONS	[H/E]	E	
06=TABLE END POINT	[YYYYMMDD]		12=TABLE END YEARS
07=TABLE END DATES	[C,C,]		
08= PRINT BALANCES	[Y/N/S]	Y	13=EARN PERCENTAGE [%%.%%] 100.0000
09=NEGATIVE BALANCE	[Y/N/W]	Y	14=EARNINGS TABLE LIMIT 0.00
10=DEDUCTION LIST	[I/ECC,CC,]		
	I/97,		

08 = PRINT BALANCES [Y/N/S]

Enter 'Y' if the storage bank balance is to appear on the cheque and/or earnings statement. Suspended storage banks will not be included.

Enter 'N' to block the printing of the storage bank balance.

Enter 'S' to print the storage bank balance even if the bank is suspended.

09 = NEGATIVE BALANCE [Y/N/W]

Enter 'Y' if a storage bank is allowed to go negative during storage bank withdrawal.

Enter 'N' if a storage bank is not allowed to go negative due to storage bank withdrawals. During timesheet entry you will be prevented from doing storage bank withdrawals if the results will generate a negative balance.

Enter 'W' if you want a warning message displayed during timesheet entry when a storage bank withdrawal will cause the storage bank to go negative. The timesheet entry will still be processed. The negative balance control is also applied to negative storage bank deposits.

10 = DEDUCTION LIST [I/ECC,CC,]

Enter the deduction codes which are to be included/excluded in the earnings calculation.

Enter I/##,##,##, where the ## are the deduction codes to include as eligible earnings for this storage bank calculation.

OR (if the list is shorter):

Enter E/##,##,##, where the ## are the deduction codes to excluded from the earnings calculation, all other pay codes will be included.

11 = BANK CYCLE [C]

Leave the storage bank cycle code blank when the storage bank is to be calculated when ever eligible hours/earnings are available.

Enter a pre defined storage bank cycle code which will control when the storage bank will be calculated.

A bank cycle code of '*' indicates the storage bank table is suspended.

The employee's individual bank cycle code takes precedence.

13 = EARN PERCENTAGE [%%.%%%%]

Enter the percentage of eligible deductions to be accumulated. Enter 100.00 to accumulate the full deduction amount.

14 = EARNINGS TABLE LIMIT

Enter the maximum amount of deductions to be accumulated. A zero or empty limit implies no limit.



RECONCILIATION PROCESS

The storage bank report generated during Payroll Processing will detail the transfer from the deduction to the employee's storage bank. The Bank Total Summary for the 'S' deduction storage bank should match the total deduction taken for the current period from the Deduction Register. If there is a difference between these two numbers, an employee may be missing the new 'S' deduction storage bank.

PAYROLL PROCESS STORAGE BANK REPORT

PAYROLL PROCESS EMPLOYEE BANKS REPORT FOR PERIOD - 200811						
EMPLOYEE	TYPE	TRANS	BANK	AMOUNT	HOURS	
10111 SMITH, BOB	D	IN	01-00001	0.00	22.0000	
	S	DD	50-00001	759.64	0.0000	
10112 DOE, JOE	D	IN	01-00001	0.00	22.0000	
10113 JOHNSON, MARY	D	IN	01-00001	0.00	22.0000	
	S	DD	50-00001	919.61	0.0000	
10114 BROWN, BILL	D	IN	01-00001	0.00	22.0000	
BANK TOTAL SUMMARY						
BANK	TRANSACTION TYPE		TOTAL AMOUNT		TOTAL HOURS	
01 INCREMENTS	IN - INCREMENT		0.00		8393.3960	
50 SUMMER PAY SAVINGS	DD - DEDUCTION		6521.94			

INTEREST CALCULATION

The following process was developed to allow you to calculate and store the interest related to the summer savings.

- A separate Accrual storage bank should be setup for this purpose. The storage bank should be an Accrual type storage bank to allow for GL transactions to be processed.
- These interest entries are created using a new storage bank transaction type of 'IT'.
- A corresponding storage bank adjustment type of 'AT' was added to the system for management of the interest.

2,9,25 STORAGE BANK INTEREST CALCULATION PROCESS

The **STORAGE BANK INTEREST CALCULATION** process calculates interest on storage bank earnings. The interest is stored as a storage bank entry and prior interest may also be included in the interest calculation. This process is intended for calculating the interest on employee's savings being held in trust. The interest would be calculated and stored in an Earnings Accrual storage bank for payment to the employee. This process allows for a range of pay periods to be defined where the storage bank balance is carried forward each pay period.

This process includes the option to create an interface file containing the journal entries to update the accounting system reflecting the storage bank interest. These journal entries are placed into the file ###%PRIN01.YPP. Where YPP is the last three digits of the current pay period, ### is the BAS interface code (field 7 in the OPS Master Profile), % is the payroll ID code (field 6 in the OPS Master Profile).

DEFAULT PROMPT STORAGE & RETREIVAL See Appendix J.

BATCH AND PRINT QUEUE SCREEN See Appendix B.

NOTE: This option is forced to batch.

ENTER STORAGE BANK CODES FOR INTEREST CALCULATION [##] < >

Enter one or more the storage banks to have interest calculated on the earnings.
Enter the interest and/or savings storage banks that interest will be calculated on.

Press <DELETE> to clear selected banks.



ENTER STORAGE BANK CODE TO RECEIVE INTEREST [XX] < >

Enter the storage bank code where the interest is to be accumulated. This must be an Earnings bank. It is recommended an accrual bank be used to allow for GL account codes to be defined if necessary.

The interest deposit is generated with a bank type of 'IT'. A bank type adjustment of 'AT' is also available through Storage Bank Adjustments. This process will only recognize interest entered as either type IT or AT.

ENTER STARTING PAY PERIOD [YYYYPP] < >

Enter the starting pay period for a range of pay period to calculate or recalculate interest.

ENTER ENDING PAY PERIOD [YYYYPP] < >

Enter the ending pay period for a range of pay periods to calculate or recalculate interest.

ENTER OPENING BALANCE PAY PERIOD [YYYYPP] < >

Enter the pay period that defines first pay period where the earnings and interest is to be accumulated and carried forward for interest calculation. This would be the first pay period where earnings were held for the current year.

REPORT ALL, RANGE OR SELECTED EMPLOYEES [A/R/S] <A>

See Appendix AK.

REPORT EMPLOYEES TERMINATED/ON LEAVE/BOTH [T/L/B/N]

See Appendix AK.

ENTER INTEREST PERCENTAGE [E.G. .0001875] < >

Enter the interest percentage to be applied per pay period.

SORT BY EMPLOYEE # OR NAME [E/N] <E>

Enter 'E' to produce the report in employee number order.

Enter 'N' to produce the report in employee name order.

GENERATE GL ENTRIES AND INTERFACE FILE [Y/N] <Y>

NOTE: The GL Liability account(s) must be defined on the Accrual storage bank table.

Enter 'Y' to generate GL transactions and auto interface for the interest calculation.

Enter 'N' to omit the GL transactions for the interest calculation.

REPORT ONLY OR PROCESS UPDATE [R/P] <R>

Enter 'R' or <CR> to only generate the report.

Enter 'P' to process the interest calculation and GL transactions.

WHEN GENERATION OF GL ENTRIES WAS SELECTED:

DO AUTO INTERFACE [Y/N]

Enter 'N' to omit the auto interfacing at this time.

Enter 'Y' to auto interface the Journal Entries and Invoice Entries interface files.

Refer to Appendix AM for complete details on interfacing prompts and requirements.

This report lists the following:

- Employee name and number
- Starting balance - accumulated interest/savings as of opening period
- Pay Period
- Existing interest for period
- Existing savings for period
- Total earnings for interest calculation for period
- Total interest for pay period
- Interest Adjustment amount, total interest less existing interest for period
- Rejections due to missing interest storage bank on employee
- GL account, description and amount when applicable

Grand totals including number of rejections

STORAGE BANK INTEREST CALCULATION REPORT

STORAGE BANK INTEREST CALCULATION PROCESS							
.01875% INTEREST ON STORAGE BANKS 50,52, FROM 200809 - 200812 INTEREST TO 52							
EMPLOYEE	STARTING BALANCES	PAY PERIOD	EXISTING INTEREST	EXISTING EARNINGS	TOTAL EARNINGS	TOTAL INTEREST	INTEREST ADJUSTMENT
10111 SMITH, BOB	0.00	200809	0.13	708.75	708.75	0.13	0.00
		200810	0.28	776.58	1,485.46	0.28	0.00
		200811	0.44	836.17	2,321.91	0.44	0.00
		200812	0.00	780.32	3,102.67	0.58	0.58
		106405105900			OP----		-0.58
		121120000033			OP----		0.58

PAYOUT OF ACCUMULATED SAVINGS AND INTEREST

The Special Pay Run Employee Selection was enhanced to allow employee selection by storage bank or by deduction code. This enhancement will allow you to attach just those employees to be paid for the summer pay out to a special pay run based on either one of the storage banks or the deduction code.

2,9,26 STORAGE BANK PAYOUT DISTRIBUTION

The **STORAGE BANK PAYOUT DISTRIBUTION** process allows a means of paying out the accumulated earnings storage bank balances over a multiple of payments. This process was developed to payout the accumulated interest and savings earning storage banks balances. The intent is to define all payments and have this process generate all timesheets and/or variable deduction entries as one step. The interest earnings are defined to be paid out under a pay code, as these earnings must be reported on the T4. The pre-taxed savings may be defined to be paid out under either a deduction code or a pay code. It is recommended you use the same deduction code as used to accumulate the employee's savings, thus these negative earnings will zero both the deduction and the saving storage bank once all payments are complete. Payment by a negative deduction amount of earnings that was already paid out also avoids the confusion of misleading YTD total earnings.

This process is intended as a one step process although the process may be run for interest and savings separately as well as one or multiple pay periods, as needed.

It is recommended that you generate the July and August payments as special pay runs attached to the June pay period once the June payroll is finalized. Paying the summer payments as part of the June pay period eliminates the problems with employees not in cycle for the summer, the income tax calculated on the interest as well as the CPP exemption for the interest payment. To facilitate the generation of multiple special pay period runs for June all at one time, the Batch Suspension Process would be used to freeze the secondary payment batches. Each batch would



then be unsuspending as each special pay period was run and updated until all special pay runs were processed. The bank transfer files would then be ready and available as needed on the payment date.

The pay code used for interest payout must be excluded from the deduction used to pay the savings, especially when the % of Net Pay Deduction is used.

DEFAULT PROMPT STORAGE & RETREIVAL See Appendix J.

BATCH AND PRINT QUEUE SCREEN See Appendix B.

NOTE: This option is forced to batch.

ENTER STORAGE BANK CODES FOR INTEREST PAYOUT [##] < >

Enter the storage banks that contain the interest to be paid out. This storage bank may be left empty when no interest is to be paid out.

WHEN AN INTEREST STORAGE BANK WAS DEFINED:

ENTER PAY CODE FOR INTEREST PAY OUT [XX] < >

Enter the pay code to be used for paying out the interest. This pay code must be defined as a money only pay code as well as defined to withdrawal from the interest storage bank defined above. The interest earnings must be defined to be paid out as a pay code to allow proper T4 reporting of these earnings.

ENTER STORAGE BANK CODES FOR SAVINGS PAYOUT [##] < >

Enter the storage banks that contain the savings to be paid out. This storage bank may be left empty when no savings is to be paid out.

WHEN A SAVINGS STORAGE BANK WAS DEFINED:

PAYOUT SAVINGS BY PAY CODE OR DEDUCTION CODE [P/D] <D>

Enter 'D' to indicate the savings will be paid out as a negative deduction amount.

Enter 'P' to indicate the savings will be paid out under a pay code.

WHEN PAYOUT BY DEDUCTION WAS DEFINED:

ENTER DEDUCTION CODE FOR SAVINGS PAY OUT [XX] < >

Enter the deduction code for payment of the accumulated savings storage bank. This deduction should be the same deduction used to feed the savings storage bank so when the payouts are complete the deduction YTD balance will be zero as well as feeding the negative amount into the savings storage bank also zeroing the storage bank balance.



WHEN PAYOUT BY PAY CODE WAS DEFINED:

ENTER PAY CODE FOR SAVINGS PAY OUT [XX] < >

Enter the pay code to be used for paying out the accumulated savings storage bank. This pay code must be defined as a money only pay code as well as defined to withdrawal from the savings storage bank defined above. Remember to exclude this pay code on your T4 Parameters.

DEFINE PAYMENTS

DEFINE PAYMENT PERIODS	
NUMBER OF PAYMENTS 2	
PAYMENT PERIOD	ENTRY DATE
200812A	31-JUL-2008
200812B	31-AUG-2008

OPTIONS <UP>/<DOWN>/<NEXT>/<REMOVE>

Enter one or multiple Pay periods to define the number of payout payments to be made. For each pay period define the timesheet / variable deduction entry date to be used for that pay period. The storage bank balance divided by the number of payments define will determine the payment for each pay period, except when only one (1) payment period is defined.

WHEN A SINGLE (1) PAYMENT PERIOD WAS DEFINED:

ENTER PERCENTAGE TO PAYOUT [E.G. .50] <1.0>

When you define only one payment period you are prompted to define the percentage of the storage bank balance to be paid out. This feature allows you to run this payout process multiple times while controlling the percentage of storage bank balance to payout each time.

When 1.0 is defined, the remaining storage bank balance will be paid out.

ENTER OVERRIDE OCCUPATION CODE [XXXX] < >

Leave this prompt blank when an override occupation code is not required.

Enter a valid occupation code to be used instead of the occupation code from the employee's function line.



ENTER OVERRIDE SHIFT CODE [X] < >

Leave this prompt blank when an override shift code is not required.

Enter a valid shift code to be used instead of the shift code from the employee's function line.

ENTER BATCH TYPE CODE [XXX] < >

Enter a valid batch type code for generation of the batch entries.

REPORT ALL, RANGE OR SELECTED EMPLOYEES [A/R/S] <A>

See Appendix AK.

REPORT EMPLOYEES TERMINATED/ON LEAVE/BOTH [T/L/B/N]

See Appendix AK.

SORT BY EMPLOYEE # OR NAME [E/N] <E>

Enter 'E' to produce the report in employee number order.

Enter 'N' to produce the report in employee name order.

PROCESS PRELIMINARY OR FINAL RUN [P/F] <P>

Enter 'P' or <CR> to generate just a report. The timesheet / variable deduction batches will not be generated.

Enter 'F' to generate the reports and process the timesheet / variable deduction batches.

A Storage Bank Payout Distribution report is generated as well as a timesheet/variable deduction report including a rejection report, for each selected pay period. The reports lists the following:

Employee name and number

Pay Period

Interest storage bank and table code, when applicable

Interest opening and on-line balance, opening balance blank when equal to on-line balance. On-line balance is amount to be processed.

Interest deduction/pay code and payout amount for pay period

Interest remaining balance

Savings storage bank and table code, when applicable

Savings opening and on-line balance, opening balance blank when equal to on-line balance. On-line balance is amount to be processed.

Savings deduction/pay code and payout amount for pay period, the deduction code will print as ** when the employee does not have the defined deduction code on their deduction master

Savings remaining balance

Total employees reported with total starting bank balances and total entries

Total number of employees with no deduction, not processed.

The Timesheet Entry report per pay period lists the following:

The employee number

Timesheet entry date

Function line number

Shift code used

Pay code and description

Hours, zero

Payout amount

The rate including all premiums

The pay code, shift and occupation premium amounts

The GL account code used

The Variable Deduction Entry report per pay period lists the following:

The employee number and name

The entry date

Deduction code and description

Employee payout amount

Employer amount, zero

Eligible earnings amount, zero

Reason for variable

The Rejection report per pay period lists the following:

The employee number and date

The original record number

The message describing the reason the record is invalid

Total number of rejected records

2,2,10 BATCH SUSPENSION PROCESS

The **BATCH SUSPENSION PROCESS** allows a means of temporarily marking the timesheet or variable deduction entries for the batch as being suspended. Deleted entries will not be suspended/unsuspended. Suspended entries are ignored by the payroll stream while maintaining the batch entries for all other batch activities. Suspended batches will not be marked as UPDATED by the Payroll Update. Suspended batch cannot have new timesheets / variable deduction added but you can edit these entries.

To permanently remove timesheets or variable deductions from the system, refer to the Batch Removal Process.

NOTE: Batches from an Updated pay period **CANNOT** be suspended. When a batch is deleted from a current pay period, the payroll stream must be re-started from Earnings Detail phase.



BATCH AND PRINT QUEUE SCREEN See Appendix B.

NOTE: This job will be forced to run in batch.

ENTER BATCH # [YYYYPPTTTSS]

Enter the number of the batch to be suspended.

WHEN BATCH SELECTED IS ALREADY SUSPENDED:

UNSUSPEND BATCH OR PROCESS SUSPENSION [U/S] <U>

Enter 'U' to un-suspend the selected suspended batch.

Enter 'S' to reprocess a suspension of a suspended batch.

FLAT FEE SUMMER PAYMENTS ~ EXPORT / IMPORT OPTIONS

The Storage Bank Report (2,9,4) was enhanced to include an option to generate a storage bank export. This export file was defined in the exact order as required by the Storage Bank Interface process. To facilitate those sites that charge a flat amount fee for management of the summer savings instead of interest hold back the export can be pulled into a spreadsheet and the AMOUNT column changed to the fee amount. The comma separated file can then be imported back into the payroll through the Storage Bank Interface Process. The Storage Bank Interface Process was also enhanced to recognize the new 'AT' interest adjustment bank transaction type.

The export file named #####.EXP where ##### is the job number, is created at the location pointed to be the logical SRB\$OPSWRK (the WORK directory). The export file is a tab delimited file with one record per employee per storage bank. The order of the export files matches the order of the selected report. The columns of the export file are defined in the same order required for the Storage Bank Adjustment Interface to allow for ease of exporting, adjusting and re importing the storage bank values. The export file containing the following fields:

<u>FIELD</u>	<u>MAXIMUM SIZE</u>
Employee OPS number	10
Storage bank code	2
Storage bank table code	5
Opening balance hours, blank if n/a	11
Opening earnings, blank if n/a	12
Blank field	
Blank field	
Blank field	
Employee Full Name	50