

Release 1756

**Service Request 81626
Generic GL Entries for NGO Contributions**

Detail Design

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Introduction

Service Request 81626 includes the following background:

“In late 2005, the University began the Senior Management Supplement Contribution, a predetermined contribution amount that would be deposited into an eligible employee’s 403(b), 457(b), and/or Defined Contribution plans. This amount, based upon the employee’s salary and SMS percentage (3% or 5%), resembles a Gross-to-Net (GTN) deduction on the employee’s Employee Data Base (EDB) record. However, during a payroll compute, the deduction becomes a contribution. After the compute, the SMS Contribution amount then is transmitted to Fidelity via the Automated Clearing House (ACH).

Earlier in 2001, the University introduced the Faculty Summer Salary Defined Contribution Plan (FSS-DCP) (Release 1347). When an academic appointee earned summer salary, that summer salary would be subject to the FSS-DCP. The compute would calculate the employee deduction and the University’s contribution within the compute cycle. The dollar amounts would then be transmitted to FITSCo through the ACH.”

Service Request 81626 requests the following Generic GL Entries for NGO Contributions changes to the Payroll/Personnel System (PPS)

“Modify the PPS so that a journal entry automatically offsets the liability account number of all future GTN Direct Deposit (Surepay) Entries, such as 115935 (P/R SMS Contribution) and 115932 (P/R Faculty Summer Salary) with an entry from Salaries and Wages Payable (115010).

Modify the PPP5304 report to display the SMS Liability Account (115935), Faculty Summer Salary Account , and any future accounts beneath the heading “GTN SUREPAY ENTRIES.” ”

Processing Overview

Currently, the Summer Salary contributions and the Senior Management Supplement contributions are paid through the NACHA process. Therefore, the contribution amount accumulated in the contribution FAU has been transferred to S&W (Salary and Wages) payable FAU by manual debit and credit rather than the automated process. In this project, we will automate the manual process of debit from the contribution FAU that is defined in the NACHA table and credit that amount to the S&W (Salary and Wages) payable FAU.

To satisfy the requirements, two programs will be modified: PPP520, the expense distribution program, and PPP530, the expense distribution reporting program.

Program PPP520 will be modified to create Type 4 records for all the contribution GTNs that have non zero contribution amounts and which are defined in the NACHA table.

Program PPP530 will be modified to accumulate all the Type 4 record amounts created for the NACHA defined contribution FAU, debit the accumulated amount from the contribution FAU, and credit that money to Salary & Wages Payable. In addition, General Ledger entries will be created for these transactions and they will be reported in the PPP5304 report under 'GTN SUREPAY ENTRIES' section.

This process will be designed to be table-driven, so that it will handle any future contributions set up on the NACHA table automatically without any further changes to the logic.

Program Changes

PPP520

PPP520 is the expense distribution program, which calculates the amounts that are to be distributed to different accounts. This program will be modified to create Type 4 records for all the contribution GTNs that have non zero contribution amounts and which are found in the NACHA table.

This program will contain the following changes:

- a. The AST table is the temporary table defined in program PPP520 that holds the Liability FAU, Receivable FAU, Prepayment FAU, and accumulated amounts for a GTN. New GTN fields will be defined on the AST Table to store the following:
 - GTN Type
 - GTN found in NACHA Indicator
 - Contribution FAU
 - Contribution Amount

While building the AST table before processing any input PAR from the GTN table, if the GTN Type Code is 'C' (contribution) then the GTN Type will be saved into the new GTN Type field and the GTN liability FAU will be saved into the new Contribution FAU field. While processing the PAR deductions of an employee, if the current PAR deduction is a contribution, then the contribution amount will be accumulated into the new Contribution Amount field of the AST Table.

- b. While creating Type 4 records, whenever a GTN number with a non zero contribution is processed first, check to see if that GTN is defined on the NACHA table. The results will be stored into the new GTN found in NACHA Indicator field ('Y' – Found, 'N' – Not Found, blank – This GTN has not been processed so far for any input PAR).
- c. Type 4 records will be created for all the contribution GTNs that have non zero contribution amounts and where the GTN found in NACHA Indicator is 'Y' with a label of 'GTNC-NACHA' in the name field.

PPP530

PPP530 is the expense distribution reporting program, which reports the amounts that are to be distributed to different accounts. This program will be modified to debit contributions paid through the NACHA process from the liability account of the contribution GTN and credit that money to Salary & Wages Payable. In addition, this transaction will be reported in the PPP5304 report under 'GTN SUREPAY ENTRIES' section.

This program will contain the following changes:

- a. NACHA working table is a temporary table that holds the NACHA defined FAU, the NACHA amount accumulated from all the Type 4 record amounts for the above FAU, Title Name of the FAU, and the blocked amount accumulated from the blocked Type 4 record amounts for the above NACHA defined FAU.
- b. A new working storage field to store the NACHA table index (default zero) will be defined and before the accumulation of the Type 4 records (sorted in FAU order) for the current FAU, the NACHA table index will be stored into the new NACHA table index field, if the current FAU is defined in the NACHA working table. This NACHA table index will be used to access NACHA table row for the current FAU at any time.
- c. A new working storage field indicator (default 'N') will be defined to store a value to identify whether the current NACHA defined FAU has been accumulating contribution amount or not ('N' – No Accumulation of contribution, 'G' – Accumulation Going on, 'O' – Accumulation Over). Before processing any FAU, this new NACHA Contribution Amount indicator will be initialized to 'N'.
- d. If the current FAU is NACHA defined and the Type 4 record name is 'GTNC-NACHA' (contribution amount), then the Type 4 record amount will be accumulated in the NACHA table amount for this FAU. In addition, the new NACHA Contribution Amount indicator is set to 'G' (NACHA Contribution accumulation Going on for the current FAU). However, if the Type 4 record name is **not** 'GTNC-NACHA' (deduction amount), then the Type 4 record amount is accumulated as usual (using separate working storage fields for the credit amount, the debit amount, and the blocked amount).
- e. At the end of all the accumulation for this FAU, if the new NACHA Contribution Amount indicator is 'G', then all the deduction amounts accumulated for other Type 4 deduction records for the current FAU (without the name field 'GTNC-NACHA') will be **added** with the accumulated contribution amount in the NACHA table row. In addition, the new NACHA Contribution Amount indicator is set to 'O' (NACHA contribution and deduction accumulation Over for the current FAU). The FAU Title will be moved into the Title of the accumulated NACHA FAU table row as well.
- f. If the accumulated credit and debit amounts for all Type 4 deductions are zero for this FAU, then the normal deduction processing (GL processing, NACHA table accumulation, and PPP5304 reporting) will be skipped because all the NACHA records will be processed together at the end of all the Type 4 records processing. If the accumulated amounts are not zero, only the calculation of the NACHA deduction amount will be skipped because the NACHA deduction amount was already added (when the new NACHA Contribution Amount indicator is 'O'). However, the GL processing and PPP5304 reporting for the deduction credit and debit amounts will not be skipped.