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SR82182 OPEB – Month 13

**SR 82182**  
**OPEB – Month 13**

**Objective:**

To provide locations with an automated process to include Other Post Employment Benefits (OPEB) estimates calculated from Month 13 compute data into the July General Ledger

**Project Type:**

This is an enhancement that affects the month-end OPEB process for campuses running a Month 13 payroll expense cycle.

**Requested by:**

Payroll Coordination

**Analyst:**

Patty Yamashita

**Due Date(s):**

Urgent; campuses should have the modifications in time for fiscal year 2007-08 year end processing

**Background:**

Some locations run a Month 13 process after the end of the fiscal year so that late pay, adjustments, and expense transfers affecting old year business can be included in the old fiscal year ledger and subsequently in financial statements.

During each payroll computation cycle, the system develops the OPEB estimate for each payroll and accrues the estimated amounts. After the completion of the compute, campuses transmit the OPEB estimates to OP. At month-end processing, the system compares the OPEB estimated amounts to the OPEB actual assessments calculated in the Distribution of Payroll Expense process. When an out of balance situation occurs, the system generates an entry to balance the General Ledger and via the adjustment file sends the entry to OP.

As locations closed Fiscal Year 2006-07 business, locations found that the accumulated OPEB estimates would not match the OPEB assessments in the July Distribution of Payroll Expense. If campuses had not manually intervened, an erroneous out of balance situation would have occurred due to the exclusion of the Month 13 processing which would have been processed as old year expenses.

**Current Process:**

To accommodate the Month 13 processing affecting the OPEB estimates, locations handled the situation manually. That is,

- Locations running M13 computes held the “campus” General Ledger OPEB transactions generated from the Month 13 computes until July Month End for processing into their July ledgers. The OPEB estimates were treated as July expense even though some of the actual expense went into the prior year general ledger. The OP OPEB transactions were sent to the Treasurer’s system with the STIP transactions (for UCRP) as usual.
- Locations did not run the month-end OPEB process in Month 13, but only in normal July month-end processing
- Locations manually verified the estimated OPEB assessments with the calculated OPEB assessments to ensure the accuracy of the data
- Locations sent the adjustment file to OP with zero amounts at July month-end as expected

**Proposed Process:**

Modifications should be made to automatically hold the OPEB estimates generated from Month 13 computes and include the data into July business, thus, eliminating the manual intervention by campuses to hold files and reducing the risk of reporting the OPEB estimates in the incorrect month.