

UNIVERSITY CONTROLLER OFFICE STANDARD OPERATING PROCEDURES

ACCOUNTING FOR SALARY & WAGE, FRINGE AND FICA/MEDICARE

MANUAL ADJUSTMENTS

April 15, 2019

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1. Overview of Manual Salary Adjustments

All adjustments to payroll expenses should be made directly through PeopleSoft and flow through to the projects ledger and/or the general ledger. Listed in the appendix are the accounts restricted to PeopleSoft use only. However, there are several circumstances where manual adjustments to payroll transactions are warranted. For manual payroll adjustments made directly in the General Ledger (GL) or Projects, specific accounts are identified in this procedure document.

2. Purpose of Manual Salary Adjustments Procedure

The purpose of this procedure is to define circumstances under which it is appropriate to create manual transactions which impact Salary & Wage, Fringe and FICA/Medicare accounts directly in the GL or Projects. This ensures the Payroll Distribution report from PeopleSoft reconciles to

the GL while also allowing for certain manual adjustments which must be made outside of PeopleSoft.

3. Review and Approval of Manual Salary Adjustments

The review and approval of any manual payroll adjustments will be the responsibility of the Approver. This responsibility includes:

- ensuring the transaction is reasonable, appropriate, and necessary
- determining whether the transaction should be a 'reversing' entry
- checking FICA, Medicare and fringe are appropriately calculated and adjusted
- reviewing the description and justification of the transaction is appropriate
- ensuring the correct manual payroll adjustment account is used as described in this Procedure
- checking the necessary transactional actions are in process in PeopleSoft, if applicable, and the Employee Charging Instructions (ECI) or appointment changes are done appropriately and timely, particularly when adjustments cross fiscal years

4. Salary Adjustment Categories

The following are the manual payroll adjustment categories covered in this Procedure:

- Manual Salary Accruals
- Auto Accruals
- Manual Time and Labor Charging Instruction Corrections
- PeopleSoft Functionality Exceptions
- Year End Accounting Reallocation of Salary & Wage, Fringe and FICA/Medicare
- Capitalizing Salary & Wage, Fringe and FICA/Medicare
- Fringe Benefits for Tradespeople

5. Manual Salary Accruals

Manual Salary Accruals record personnel costs that have not yet been processed in PeopleSoft. These accruals can be initiated by the field or by the University Controllers Office. Manual salary accruals are separate from the PeopleSoft month-end auto accruals.

Examples of Manual Salary Accruals:

- Bonuses and physician incentives not yet paid out to the employee
- Employee changes not yet in the Payroll system
- Salary program and other increases not yet implemented

Table 1. Accounts for Manual Accruals

Account	Description	Parent
50181	S&W Manual Accrual	5000T P SALARY & WAGES
51107	FB Fringe Manual Accrual	5110T P FRINGE BENEFITS
51108	FB FICA Manual Accrual	5110T P FRINGE BENEFITS
51109	FB Medicare Manual Accrual	5110T P FRINGE BENEFITS
50441	Other Comp Faculty - Manual Accrual	5040T P OTHER COMPENSATION
50461	Other Comp Staff - Manual Accrual	5040T P OTHER COMPENSATION

Chart String for Manual Salary Accrual Transactions

For the expense (P&L) side of manual payroll accruals the preparer should use the UDOLFB appropriate for the expense being accrued and the appropriate account listed in the table above. For the liability side of manual payroll accruals, the preparer should use the UDO, Location and Fund Type appropriate for the accrual. Business Line must be '9999' and the accrual account 21060 as listed below.

Table 2. Liability Account for Manual Payroll Accrual Transactions

Account	Description	Parent
21060	Accrued S&W Manual	2100T P Accrued Salary and Benefits

Who Prepares?

- These accruals may be prepared by the Units to meet local reporting needs when appropriate.
- When University-wide accruals are needed, they will be done by the University Controller's Office (UCO).

6. Auto Accrual Accounts

A separate set of Auto Accrual Accounts for month-end processing are used to automatically book Salary & Wage, Fringe and FICA/Medicare. These are system generated.

Table 3. Accounts for Auto Accruals

Account	Description	Parent
50180	S&W Auto Accrual	5000T P SALARY & WAGES
51104	FB Fringe Auto Accrual	5110T P FRINGE BENEFITS
51105	FB FICA Auto Accrual	5110T P FRINGE BENEFITS
51106	FB Medicare Auto Accrual	5110T P FRINGE BENEFITS

Liability Accounting for Payroll Auto Accrual Transactions

For auto accruals, PeopleSoft uses the following chart string:

900.1999.6771.0001.100.9999.21100

Table 4. Auto Payroll Accrual Transactions

Account	Description	Parent
21100	Auto Accrual S&W Payroll	2100T P Accrued Salary and Benefits

Who Prepares?

- These entries are auto calculated by PeopleSoft and corresponding accrual accounts are locked for PeopleSoft entries only.

7. Manual Time and Labor Charging Instruction Corrections

Manual corrections to the accounting for salary and wages are needed when the charging instructions were previously overridden on the timesheet through the Time and Labor module. PeopleSoft is unable to reallocate expenses that equate to portions of a workday (i.e., hours or dollars). If the instructions on the SWRJ (Salary & Wage Reallocation Justification) form cannot be processed, the only option is to move the expense via Journal entry. The SWRJ form number must be referenced in the line description on the Journal.

Table 5. Accounts for Time & Labor Charging Instruction Corrections

Account	Description	Parent
50183	S&W Student Employment Manual Reallocation	5000T P SALARY & WAGES
50184	S&W Hourly Employees Manual Reallocation	5000T P SALARY & WAGES
50240	S&W Overtime Manual Reallocation	5020T P OVERTIME & SHIFT
51284	FB FICA Time & Labor Manual Reallocation	5110T P FRINGE BENEFITS
51285	FB Medicare Time & Labor Manual Reallocation	5110T P FRINGE BENEFITS

Who Prepares?

- These corrections are prepared by the Units *after* Payroll or Grants and Contract Accounting (GCA) confirms it cannot be done in PeopleSoft.

8. PeopleSoft Functionality Exceptions

There are exceptions to PeopleSoft functionality that require manual payroll adjustments to facilitate external restrictions and reporting requirements. These manual adjustments are limited to how fringe benefit expense is recorded and are limited to requirements imposed by external funding sources.

Examples of these exceptions are:

- Hatch/SmithLever federal funding of salary only with State funding of fringe benefit cost
- Educational Opportunity Fund (EOF) program which funds salary only with other funding of fringe benefit costs required
- Gifts/endowments with restrictions on the funding of fringe benefit costs
- Sponsored awards where fringe benefits are capped or disallowed

Table 6. Accounts for PeopleSoft Functionality Exceptions

Account	Description	Parent
51240	FB Fringe Manual Adjustment	5110T P FRINGE BENEFITS
51241	FB FICA Manual Adjustment	5110T P FRINGE BENEFITS
51242	FB Medicare Manual Adjustment	5110T P FRINGE BENEFITS

Who Prepares?

- These adjustments are prepared by University Controllers Office or Research Financial Services.

9. Year End Reallocation of Salary & Wage, Fringe and FICA/Medicare

At the end of the fiscal year, there is a deadline for PeopleSoft salary reallocations to affect the closing fiscal year. This deadline is announced each year by UCO and Payroll.

If PeopleSoft reallocations are not completed by the deadline, manual payroll accounting redistributions may be permitted under limited circumstances. These manual redistributions require a secondary approval from UCO and must be material in nature.

Examples of Year End Reallocation of Salary & Wage, Fringe and FICA/Medicare:

- A gift, endowment or an expired sponsored project is over expended, and costs must be moved off
- Salary and fringe is moved to a project or other funding source to meet the end date

Table 7. Accounts for Year End Reallocation of Salary & Wage, Fringe and FICA/Medicare

Account	Description	Parent
50182	S&W Manual Reallocation	5000T P SALARY & WAGES
51281	FB Fringe Manual Reallocation	5110T P FRINGE BENEFITS
51282	FB FICA Manual Reallocation	5110T P FRINGE BENEFITS
51283	FB Medicare Manual Reallocation	5110T P FRINGE BENEFITS

Who Prepares?

- These redistributions are prepared by the Units when needed.
- Other redistributions may be done by UCO when University-wide adjustments are needed.

10. Capitalizing Salary & Wage, Fringe and FICA/Medicare

Capitalizable Salary & Wage, Fringe and FICA/Medicare can be redistributed to Capital projects using specific accounts, as outlined in the procedure Capitalizing Salary & Wage, Fringe and Operating Expenses. The following accounts are to be used only for this purpose.

Table 8. Accounts for Capitalizing Salary & Wage, Fringe, and FICA/Medicare

Account	Description	Parent
50098	S&W Manual Reallocation to Capital	5000T P Salary & Wages
51280	FB Fringe Manual Reallocation to Capital	5070T P EMPLOYEE FRINGE BENEFITS

Who Prepares?

- These entries are prepared only by designated persons in Institutional Planning and Operations (IP&O) and UCO.
- Entries will be auto rejected unless created by the *designated persons*.

11. Fringe Benefits for Tradespeople

Fringe benefits for employee Class 2 Tradespeople are provided by third parties external to Rutgers, the State University of New Jersey and the State of New Jersey. The payments to these external providers will be recorded in a specific account for Fringe Benefits Tradespeople.

Table 9. Account for Fringe Benefits for Tradespeople Expense

Account	Description	Parent
50754	Emp FB Tradespeople Expense	5070T P EMPLOYEE FRINGE BENEFITS

Who Prepares?

- This entry is prepared only by designated persons in IP&O.
- Entries will be auto rejected unless created by the *designated persons*.

12. Contact for Questions

Please send inquiries or questions regarding this Procedure to the Help Desk:

- | | |
|------------------------------------|---|
| Payroll: (848) 445-2112/2113 | Email: payroll@payroll.rutgers.edu |
| Finance: (848) 445-2100 (Option 6) | Email: finance_helpcenter@finance.rutgers.edu |

APPENDIX

A. Accounts for Salary & Wage, Fringe and FICA/Medicare

The complete listing of Salary & Wage, Fringe and FICA/Medicare accounts can be found on the University Controllers Office website under Resources: COA Segment Listing.

<https://uco.rutgers.edu/chart-accounts-coa-initiative>

B. Auto Accrual Accounts (PeopleSoft Only)

These accounts are only available for PeopleSoft transactions to automatically accrue Salary & Wage, Fringe and FICA/Medicare and are not available for any other transactions.

Account	Description	Parent
50180	S&W AUTO ACCRUAL	5000T P SALARY & WAGES
51104	FB FRINGE AUTO ACCRUAL	5110T P FRINGE BENEFITS
51105	FB FICA AUTO ACCRUAL	5110T P FRINGE BENEFITS
51106	FB MEDICARE AUTO ACCRUAL	5110T P FRINGE BENEFITS

C. Salary & Wage, Fringe and FICA/Medicare Control Accounts (PeopleSoft Only)

These accounts are only available for PeopleSoft transactions, except for payroll suspense reclass journals by Payroll Services.

Account	Description	Parent
50010	S&W Staff	5000T P SALARY & WAGES
50020	S&W Tenured Faculty	5000T P SALARY & WAGES
50030	S&W Tenure Track Faculty	5000T P SALARY & WAGES
50040	S&W NonTenured Faculty	5000T P SALARY & WAGES
50050	S&W TA & GA	5000T P SALARY & WAGES
50060	S&W Post Doctorate & Associates	5000T P SALARY & WAGES
50070	S&W Housestaff	5000T P SALARY & WAGES
50075	S&W Resident Counselor	5000T P SALARY & WAGES
50080	S&W Coadjutant NonInstructional	5000T P SALARY & WAGES
50081	S&W Coadjutant PTL Instructional	5000T P SALARY & WAGES
50085	S&W Police & Fire Retirement Sys PFRS	5000T P SALARY & WAGES
50090	S&W Student Employment	5000T P SALARY & WAGES
50100	S&W Contracted	5000T P SALARY & WAGES
50120	S&W Hourly Employees	5000T P SALARY & WAGES

Account	Description	Parent
50140	S&W Non-Fringe Eligible	5000T P SALARY & WAGES
50190	S&W Payroll Suspense	5000T P SALARY & WAGES
50210	S&W Overtime	5020T P OVERTIME & SHIFT
50220	S&W Shift Differential	5020T P OVERTIME & SHIFT
50440	Other Comp Faculty	5040T P OTHER COMPENSATION
50460	Other Comp Staff	5040T P OTHER COMPENSATION
50740	Emp FB Retirement	5070T P EMPLOYEE FRINGE BENEFIT
50745	Emp FB Reissued Payments Clearing	5070T P EMPLOYEE FRINGE BENEFIT
50755	Emp FB Tuition Reimbursement	5070T P EMPLOYEE FRINGE BENEFIT
50765	Emp FB Vision Care	5070T P EMPLOYEE FRINGE BENEFIT
50780	Emp FB Unused Sick Leave Pay	5070T P EMPLOYEE FRINGE BENEFIT
51110	FB Staff Employees	5110T P FRINGE BENEFITS
51120	FB Tenured Faculty	5110T P FRINGE BENEFITS
51130	FB Tenure Track Faculty	5110T P FRINGE BENEFITS
51140	FB NonTenured Faculty	5110T P FRINGE BENEFITS
51160	FB Housestaff	5110T P FRINGE BENEFITS
51180	FB Post Doctorate & Associates	5110T P FRINGE BENEFITS
51185	FB Police & Fire Retirement Sys PFRS	5110T P FRINGE BENEFITS
51190	FB Contracted Employees	5110T P FRINGE BENEFITS
51200	FB TA & GA	5110T P FRINGE BENEFITS
51220	FB Suspense	5110T P FRINGE BENEFITS
51250	FICA	5110T P FRINGE BENEFITS
51260	Medicare	5110T P FRINGE BENEFITS
51270	DC ER Payroll Tax	5110T P FRINGE BENEFITS

D. PeopleSoft Earning Codes Mapping to Oracle Salary Accounts

Oracle Account	PS Earn Code	PS Earn Code Description
S&W Staff	CRG	
50010	R01	Salary Regular
50010	R02	Hourly Regular
50010	R10	Unpaid Absence
50010	R20	Term or Period Pay 2010
50010	R50	Faculty Practice
50010	R51	Patient Services
50010	R55	Lag Pay (Hrs)
50010	R91	Retro Salary Regular
50010	R92	Retro Hourly Regular

Oracle Account	PS Earn Code	PS Earn Code Description
50010	R99	Retro Unpaid Absence
50010	S05	Meals Rebate
50010	S20	Meals Salary
S&W TA & GA	CRG	
50050	R01	Salary Regular
50050	R02	Hourly Regular
50050	R09	Rate Adjustment
50050	R10	Unpaid Absence
50050	R20	Term or Period Pay 2010
50050	R91	Retro Salary Regular
50050	R92	Retro Hourly Regular
50050	R99	Retro Unpaid Absence
50060	R01	Salary Regular
50060	R91	Retro Salary Regular
50070	R01	Salary Regular
50070	R10	Unpaid Absence
50070	R52	Univ Physician Assoc - UPA
50070	R55	Lag Pay (Hrs)
50070	R58	Housestaff Orientation Pay
S&W Resident Counselor	CRG	
50075	R20	Term or Period Pay 2010
S&W Coadjutant Non Instructional	CRG	
50080	R20	Term or Period Pay 2010
S&W Coadjutant PTL Instructional	CRG	
50081	R01	Salary Regular
50081	R02	Hourly Regular
50081	R09	Rate Adjustment
50081	R10	Unpaid Absence
50081	R20	Term or Period Pay 2010
50081	R22	Period Pay Carryover 2016
50081	R91	Retro Salary Regular
50081	R92	Retro Hourly Regular
50090	R01	Salary Regular
50090	R02	Hourly Regular
50090	R09	Rate Adjustment
50090	R10	Unpaid Absence
50090	R20	Term or Period Pay 2010
50090	R91	Retro Salary Regular

Oracle Account	PS Earn Code	PS Earn Code Description
50090	R92	Retro Hourly Regular
50090	R99	Retro Unpaid Absence
50090	S18	Meals Hourly
S&W Contracted	CRG	
50100	R01	Salary Regular
50100	R02	Hourly Regular
50100	R10	Unpaid Absence
50100	R20	Term or Period Pay 2010
50100	R91	Retro Salary Regular
50100	R92	Retro Hourly Regular
50100	R99	Retro Unpaid Absence
50100	S05	Meals Rebate
50100	S20	Meals Salary
Scholarship & Fellowship	CRG	Term or Period Pay
50110	N01	Fellowship Stipend
50110	N11	Fellowship Stipends NRA
50110	N12	Period Pay NRA 2016
50110	R01	Salary Regular
50110	R02	Hourly Regular
50110	R09	Rate Adjustment
50110	R10	Unpaid Absence
50110	R20	Term or Period Pay 2010
50110	R91	Retro Salary Regular
50110	R92	Retro Hourly Regular
Pre and Post Doc Fellows	CRG	Term or Period Pay
50115	R01	Salary Regular
50115	R05	Extra Pay Flat Amount
50115	R10	Unpaid Absence
50115	R55	Lag Pay (Hrs)
50115	R91	Retro Salary Regular
S&W Hourly Employees	CRG	
50120	R01	Salary Regular
50120	R02	Hourly Regular
50120	R09	Rate Adjustment
50120	R10	Unpaid Absence
50120	R20	Term or Period Pay 2010
50120	R91	Retro Salary Regular
50120	R92	Retro Hourly Regular
50120	S18	Meals Hourly

Oracle Account	PS Earn Code	PS Earn Code Description
50120	S20	Meals Salary
S&W Non-Fringe Eligible		
50140	R01	Salary Regular
50140	R05	Extra Pay Flat Amount
50140	R10	Unpaid Absence
50140	R55	Lag Pay (Hrs)
S&W Overtime		
50210	R03	Overtime
50210	R04	Holiday Worked
50210	R13	Overtime at Straight
50210	R16	Shift2 OT Union 001
50210	R17	Shift3 OT Union 001
50210	R18	Shift2 OT Union 002
50210	R19	Shift3 OT Union 002
50210	R30	Essential Personnel
50210	R54	Essential Pay RBHS
50210	R56	Perceptor Earnings
50210	R93	Retro Overtime
50210	R94	Retro Holiday Worked
50210	R95	Retro Essl Prsl
50210	S23	Comp Time Payout
50210	S24	Comp 2 Straight Time
S&W Shift Differential		
50220	R06	Shift2 Union 001
50220	R07	Shift3 Union 001
50220	R31	Shift Diff Evening/Night
50220	R32	Shift Diff FOP Sergeants
50220	R33	Shift DOC Wkd/evening/night
50220	R34	Shift On Call (CWA)
50220	R35	Shift Diff Weekend
50220	R36	Shift Per Diem Not Union
50220	R37	Shift CRNA/DOC/LPN
50220	R38	Shift DOC/LPN
50220	R39	Shift DOC weekday nights
50220	R40	Shift DOC Wkend Evening
50220	R41	Shift Weekend Nights
50220	R42	Shift Teamsters Loc 97
50220	R43	Shift PerDiem Nurse Wkend
50220	R44	Holiday Pay RBHS

Oracle Account	PS Earn Code	PS Earn Code Description
50220	R45	On Call Adv Prac Nurse
50220	R46	On Call Teamsters Loc 97
50220	R47	Sick Time RBHS
50220	R48	Charge Nurse Differential
50220	R49	Acting Eng Loc 68
50220	R53	Per Diem Nurse over 48hrs
50220	R66	Shift2 Union 002
50220	R77	Shift3 Union 002
Bonus Faculty		
50410	S27	Extramural Incentives
Other Comp Faculty		
50440	R59	RHG CIP Incentive
Other Comp Staff		
50460	N06	Non Taxable Reimbursement
50460	R05	Extra Pay Flat Amount
50460	R08	AFSCME Acting Pay
50460	R15	Extra Pay Hours
50460	R52	Univ Physician Assoc - UPA
50460	R57	Faculty Supplemental Pay
50460	R58	Housestaff Orientation Pay
50460	R60	Extra Hrs/Pay Carryover
50460	S01	Bonus
50460	S02	Meal Allowance
50460	S03	Clothing Allowance
50460	S04	Awards and Prizes
50460	S06	Settlement NonPension
50460	S07	Settlement Pensionable
50460	S08	NonRecurr Supplmnt Cntrct
50460	S09	Recurring Supplmnt Cntrct
50460	S10	Moving Expense Taxable
50460	S11	Moving Exp NonTaxable
50460	S14	Vacation Payout
50460	S16	Vehicle Stipend
50460	S17	Mortgage Subsidy
50460	S21	One Time Payment
50460	S22	Exempt Wages