Solutions for Payroll Situations
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## Solutions for Payroll Situations

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Solutions for Payroll Situations

Session Objective

- Create off-cycle payrolls to enter adjustments and understand what areas in UltiPro are affected by voiding payments and creating instant checks versus regular pay documents.
- Import data from a third party vendor to update employee earning, deduction, and tax amounts in UltiPro.
- Configure earnings in UltiPro to calculate retroactive pay then process and submit retroactive payments to employees.
- Enter pending pay items for employees.

Session Overview

Solutions for Payroll Situations provides additional knowledge and skills to complete payroll processing utilizing UltiPro® portal functionality.

This course includes how to use the Payroll Gateway to enter adjustments and understand what areas in UltiPro are affected by voiding payments and creating instant versus making adjustments on regular pay documents. We will review how to import data from a third party vendor to update employee earnings, deductions, and tax amounts in UltiPro.

You will configure earnings in UltiPro to calculate retroactive pay then process and submit retroactive payments to employees. Finally, we will review pending pay items and how to submit pending pay earnings and deductions in UltiPro.
Notes
Log in to Connections Hands-On Training

Using the Connections Hands-On Training Environment, you can access UltiPro with your specific login credentials, follow along with the instructor for demonstrations, and then perform activities for each topic included in the training.

To log in to the Connections Hands-On Training Environment:

1. Open your browser.
2. Enter the URL for the Connections Hands-On Training Environment in the Address line of your browser.
   - URL: <Enter the URL value provided>
3. The UltiPro Login page appears.
4. Enter your login credentials, and then select Log In.
   - User Name: <your email>
   - Password: password
5. Select the component company, if applicable.
   - The UltiPro Home Page appears.
6. From the Smart Dashboard welcome message, select I understand, if applicable.
Add an Off-Cycle Payroll - Demonstration

NAVIGATION: Menu > Administration > Payroll Processing > Payroll Gateway > Things I Can Do > Add Off-Cycle Payroll

In this scenario, create an off-cycle payroll to void and reissue checks for the employees that have lost their pay statements and import data from a third party vendor to record stock payments. You will need to edit the Payroll Processing Model when you open the payroll to use the Third Party Payment model.

The following steps demonstrate how to add an off-cycle payroll on the Add Off-Cycle Payroll page. The off-cycle payroll will be used to void pay statements.

To add an off-cycle payroll:
1. From the Add Off-Cycle Payroll page, select a pay group. Only closed pay groups are available for selection.
   - Electronics BiWkly Chks
2. Enter a period start and period end date for the off-cycle payroll. The period start date defaults to the day after the period end date of the last closed regular payroll, but can be changed.
   - Period start: XX/XX/20XX
   - Period end: XX/XX/20XX
3. Enter a pay date and select Save.
   - Pay date: XX/XX/20XX
4. Select OK to the warning message.
Activity 1 - Create an Off-Cycle Payroll

As a payroll administrator, create an off-cycle payroll to process a void and instant check for an employee in the Electronics BiWkly Chks pay group. You will also import data from a third party vendor for stock payments on this payroll.

<table>
<thead>
<tr>
<th>Pay Group</th>
<th>Period Start Date</th>
<th>Period End Date</th>
<th>Pay Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronics BiWkly DDA</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Void a Payment - Demonstration

NAVIGATION: Menu > Administration > Payroll Processing > Payroll Gateway

Voiding a payment, reverses all items on the payment exactly as they were calculated, including earnings, deductions, taxes, accruals, and arrears. When the transaction is completed, these amounts are updated in the employee's record.

In this scenario, Mary Pasquale has lost her pay check. You need to void and reissue the pay statement and manually modify the PTO in the employee's record, if applicable.

To void a payment:

1. From the Payroll Gateway page, select the link for a pay group.
   - Electronics BiWkly Chks
2. From the Payroll Overview page, change the payroll model. Select the Edit link.
   - Third Party Payment Import model
4. From the Open Payroll page, uncheck all scheduled earnings and deductions, and then select Run.
   The Payroll Overview page appears.
5. From the Payroll Processing menu, then select Void Payment.
6. From the Void Payment page, select Search to view all payments that can be voided.
7. Check the box next to the applicable records to void.
   - Employee: Mary Pasquale
   - Pay date: Pay date provided by instructor
8. From the Actions drop-down list, verify that Void is selected and select OK.
9. Select OK to the following confirmation message. The Void Payment page is refreshed and the voided pay no longer appears.
10. Select Employee Admin, then select My Employees.
11. Select the employee.
   - Mary Pasquale
12. Select Pay, then select Pay History.
13. From the employee's Pay History page, view the voiding and voided records for the employee, both with the same document number. The voided payment is the original payment. The voiding payment is the record that reverses the original payment.
14. Select the link for the voided pay statement to view how voiding amounts appear on a check. Because accruals are not calculated on instant checks using every pay period calculation, note the accrual amount calculated so adjustments can be made manually to the employee's PTO plans.
15. Close the employee pages.
Activity 2 - Void a Payment

An employee has lost her check and needs to have it replaced. Make note of the earnings, deduction, and taxes that were on the check(s) so you can re-enter them on an instant check. This employee earned 6.1538 hours of vacation accrual for this pay period.

As a payroll administrator in the Another World Electronics company, you need to complete the following:

1. From the Payroll Gateway, select the Electronics BiWkly DDA pay group and edit the payroll model to use the Import 3rd Party Payment template.
2. Remove all scheduled earnings and deductions and start the payroll for the Electronics BiWkly DDAs pay group.
3. Void the following pay.

<table>
<thead>
<tr>
<th>Employee</th>
<th>Pay Date</th>
<th>Document Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jeanne Foster</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Review the voided payment and note the accrual amounts.
Create an Instant Check - Demonstration

**NAVIGATION: Menu > Administration > Payroll Processing > Payroll Gateway**

You can create instant checks from either the Create Instant Checks page accessible from the Payroll Gateway or from the View/Change Payroll Results page from within a selected pay group.

An employee's pay group does not need to be open in order to create an instant check from the View/Change Payroll Results page, but it must be open to post the instant check. However, if you are creating an Instant Check from Things I Can Do section on the Payroll Gateway page, you must Start the payroll so that UltiPro has a pay date available when the Post Only option is selected.

In this scenario, create an instant check for Mary Pasquale from the Payroll Gateway to replace the lost check that you previously voided. Update PTO balances with the noted accrual calculation.

**To create instant checks from the Create Instant Checks page:**

1. Verify that the Payroll Status column appears in the display grid.
2. Select the box next to each employee for whom you are creating an instant check.

**Note:**

An employee's payroll must be open in order to create an instant check from the Create Instant Checks page.

If you want to create an instant check for an employee whose box is unavailable for selection, select the Not Started link in the Payroll Status column to open the payroll.

3. After selecting the employee(s), select Add. The Instant Check Details page appears.
   - **Select Mary Pasquale**
4. Enter details for the instant check.

**To add instant check details for an employee:**

You can create instant checks from either the Create Instant Checks page accessible from the Payroll Gateway or from the View/Change Payroll Results page from within a selected pay group.

1. From the Check Actions section, select the desired option to either print an instant check or post information to update the employee pay history.
   - **I want the system to print an off cycle check that I can give to my employee.**
2. Verify the pay date from the Pay Date field; make necessary changes.
3. Enter the check number.
4. Verify the bank used for this instant check is correct.
5. In the earnings section, select Add to add applicable earnings and amounts. The Add Earnings dialog box appears.
   - Earnings: Hour Pay
   - Hours: 80

6. Select a deduction from the Deduction drop-down list and then select Add.

7. Select Calculate. The amount totals on the pay check are updated.

8. Select Finish if all instant check details are valid.

   **Best Practice:**
   When adding an instant check during a regular payroll, you must calculate the instant check (or any additional pay) separately; however, it is a best practice to rerun the calculate payroll processing step for all pays before selecting Finish to complete the payroll. This ensures that tax and deduction calculations as well as YTD accumulators consider both pays, instant and regular, in this payroll.

9. Select OK. A message appears indicating the instant check is completed. Close the window.

   **Important!**
   If the instant check is a post-only check, no file is generated.

   Whether the instant check is a post only or a printable check, the instant check detail is immediately posted to the employee Pay History and available for viewing by the employee under Myself > Pay History.

10. The employee can view the instant check or post only instant check from Myself > Pay History.

11. Because accruals are not calculated on instant checks using every pay period calculation, modify the accrual amounts to include the 6.1538 accrued vacation hours from Administration > Employee Admin > My Employees.
Activity 3 - Create an Instant Check

From the Payroll Gateway, create an instant check to replace the original check that was lost by your employee, Jeanne Foster. Remember to modify any employee accrual amounts that were voided. Use the information listed to complete this activity.

<table>
<thead>
<tr>
<th>Employee</th>
<th>Post Only Check</th>
<th>Earnings/Deductions/Accrual</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jeanne Foster</td>
<td>No</td>
<td>Salary Pay</td>
<td>80 hours</td>
</tr>
<tr>
<td>#100100014</td>
<td></td>
<td>401k</td>
<td>$100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Medical Benefits</td>
<td>$60.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Dental Plan</td>
<td>$12.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>US Bonds</td>
<td>$20.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vacation</td>
<td>6.1538</td>
</tr>
</tbody>
</table>
Import, Validate, and Post Payment for Third Party Time Clock Import File - Demonstration

**NAVIGATION:** Menu > Administration > Payroll Processing > Payroll Gateway > select the pay group

In this scenario, you received an import file, 270ImportChks.csv, from your brokerage firm. Process this file to record stock option transactions for your employees. Remember these are post only transactions and cannot be modified. Finish processing the payroll once you have submitted the information with no exceptions.

**To import, validate, and post the Third Party Time Clock Import file:**

1. From the Payroll Overview page ensure the Pay Type is Off-Cycle and the Payroll Model is Third Party Payment Import.
4. Select Bring in Time. The Import Time page appears.
5. Select the Import Template.
   - Third Party Pmnt Single Earn
6. Select Browse to locate the import file saved on your local hard drive.
   - 270ImportChks.csv
7. Select Run to return to the Payroll Overview page.
8. Select Verify Time.

**Note:**
A yellow explanation point and an exceptions link will appear if there is a discrepancy with the imported file and the time clock import template. Select the Exceptions link to view the time import exceptions. The Time Import Exceptions page details any errors contained in the import file that need to be resolved and this page also includes troubleshooting hints.

9. From the Things I Can Do section, select View Time Import Details. The Time Import Details page can be used in place of the Time Clock Balancing Report.
10. If needed Use these import details and your import file to make any entry corrections to your file and import the file again.

**Note:**
If entry corrections need to be made to the import file you must Undo the Bring in Time step and import the file again. The Undo Bring in Time process will remove all records imported for Third Party Post Only transactions. If there are manual checks associated with the payroll (checks that were entered prior to import) these checks will remain in the batches.

11. If all exceptions have been resolved, select Submit Time and Calculate Payroll.

**Note:**
When payroll is calculated the checks will be marked as Post Only and cannot be changed or deleted. If there are outstanding exceptions on the import file the checks will not be marked as Post Only. The administrator will need to Undo the payroll process and import the file again.

12. Select View/Edit Payroll Results/Instant Checks to view the imported earnings. Taxes and amounts cannot be modified.
**Activity 4 - Import Third-Party Payments**

Your company has issued restricted stock units to your employees. Process third-party payments from your broker for stock payments made to employees. Use the following information to employee history in UltiPro.

<table>
<thead>
<tr>
<th>Table/Field</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Group</td>
<td>Electronic Biwkly DDA</td>
</tr>
<tr>
<td>Pay Date</td>
<td>XX/XX/20XX</td>
</tr>
<tr>
<td>Payroll Model</td>
<td>Third Party Payment Import</td>
</tr>
<tr>
<td>Time Clock Template</td>
<td>Third Party Pmnt Single Earn</td>
</tr>
<tr>
<td>Import File Name</td>
<td>270ImportDDA.csv</td>
</tr>
</tbody>
</table>

Once the import is submitted, view the post-only instant check and note the tax amount calculated for this pay document. Enter the amount $__________.

When all transactions are completed, close the payroll.
Configure Earnings for Retroactive Wages - Demonstration

**NAVIGATION: Menu > System Configuration > Business Rules > Earnings**

Before calculating retroactive pay, create retroactive payout earnings code(s) to use specifically for paying out retroactive payments. For example, create an earnings code labeled RETRO – Retro Pay.

In this scenario, configure a new earning to use when paying out retroactive earnings that are calculated for the regular pay earning code. Remember new Earning codes must be assigned to Earning Groups in order for employees to be assigned them.

**To add a new earning:**

1. From the Earnings page, select Add.
2. From the Country drop-down list from the Main page of the Earnings Setup, select the country.
   - **Country:** United States.
3. In the Code field from the Main page, enter a unique code.
   - **Code:** RETR
4. Enter a meaningful description in the Description field.
   - **Description:** Reg RETRO
5. Select the Globe icon to enter descriptions in additional languages, if applicable.

**Best Practice:**
Select the Globe icon to add alternate descriptions in additional languages for every text or message field that is visible to employees. This ensures that alternate language descriptions and messages are available when employees select language preferences other than English.

6. At the Stub Description field, enter a concise description, due to space limitations, to appear on the employee pay statement.
   - **Stub Description:** Reg Retro
7. Uncheck the Active box if this earning is not active; otherwise, the Active box is checked by default.
8. At the As Of field, select the start date when the earning is active.
   - **Select 01/01/20XX.**
9. From the Report Category drop-down list, select the applicable report category.
   - **Select Wages and Salaries**

**Best Practice:**
Organizations may want to group and report on earnings according to the type of earnings. The values that appear in the Reporting Category field were populated from entries to the Earnings Reporting Category business rule. It is recommended that you complete entries to that business rule before creating earnings, although you can return to this field and make a selection later.

10. Modify the time clock code if you require a different code from the earnings Code field default.
   - **REGRT**
11. Check the Regular Pay Code box, if the earning is intended for regular or base compensation.
   - **No action required.**
12. In the Rules section, select the applicable calculation rule from the Calculation drop-down list.
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- **Flat Amount**

  **Note:**
  Additional fields may appear in the Rules Section depending on the calculation rule selected.

13. Enter the amount in the Amount field, if applicable.
   - **$0.00.**

14. In the Pay Entry Options section, select the Display in Pay Data Entry for earnings which commonly display in every pay period.
   - **No action required.**

   **Best Practice:**
   If this earning needs to be created automatically during payroll processing, check the Display in Pay Data Entry box. It is recommended that you only check this box if the earning is normally paid every pay period or if the earning is paid on a scheduled monthly basis. Earnings other than regular pay are commonly not included in pay data entry at every payroll processing; however, if an earnings code is frequently used such as overtime, you may want to select this option. Bonuses may not be included in every pay period; however, commissions may be paid to employees on a regular basis.

15. Check the Include in Manual Check box, if this earning is to be included in manual or instant checks.
   - **No action required.**

16. In the Pay Statement Options section, check the Calculate Pay Rate If Hours Exist box, if applicable.
   - **No action required.**

17. Check the Append Salary or Hourly to Stub Description box to have this designation display on the employee's pay statement.
   - **No action required.**

   **Note:**
   When the Append Salary or Hourly to Stub Description box is checked, an example using the 'Hourly' option appears. This demonstrates how the appended value displays on an employee pay statement. The hourly or salary designation is dynamic and is based on the employee's hourly or salary designation.

18. In the Pay Rate for Payout section, select the use payout option, if applicable.
   - **No action required.**


20. From the Tax Category drop-down list, select an applicable tax category.
   - **Regular Wages (Include Base Only)**

21. Check the Supplemental Wage box if this earning is paid to employees in addition to the employee's regular wages.
   - **No action required.**

   **Note:**
   Bonuses and commissions are supplemental wages paid to employees in addition to the employees' regular wages. The Supplemental Wage box should always be checked for these types of earnings.

22. Check the Special Supplemental box if additional special calculation rules apply
   - **No action required.**

23. In the Block Taxes Section, check the taxes for blocking, if applicable.
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- No action required.

24. In the Tax Details section, select a label from the Form W-2 Box 14 Label drop-down list, if applicable to the earning.

- No action required.

25. Select Next. The Detail page appears.

26. In the Scheduled Pay Periods by Default section, check the applicable boxes to establish the default payroll schedule for this earning.

- No action required.

27. In the Per Pay Check Maximum section, enter the earnings' maximum monetary amount and the maximum hours for an individual pay, if applicable.

- No action required.

28. In the Include Earnings In section, select all applicable fields for this earning.

- Deferred Compensation Dollars
- FLSA Average Pay Rate Dollars
- Earnings Accumulation
- Total Benefit Hours/Earnings
- Allocations

Note:
Using the Allocations option allows the bonuses to be allocated to another cost center or department.

Best Practice:
When configuring a retroactive pay, do not select the Retroactive pay.

29. In the Accrual Include section, select if this earning is included in the calculation of an accrual plan.

- Select None.

30. Select Next. The Summary page appears.

31. Review all selections on the Summary page. Select Back to return to a page where you wish to make a modification.

32. Select Save. The Earnings summary page appears.

33. Add this earning to the Salaried Employees Earnings Group and Hourly Employees Earnings Group.

Important!
All earnings must be added to an earnings group when configuration is complete. Applicable earnings groups are then assigned to employees upon hire or rehire.
Activity 5 - Configure Retroactive Payout Earning

Create a retroactive payout earnings code to use specifically for paying out retroactive payments for Overtime. Use the date in the table to create the retroactive pay code in UltiPro. Then, assign new earnings codes to the appropriate earnings groups, Salaried Employees and Hourly Employees.

<table>
<thead>
<tr>
<th>Field</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Code</td>
<td>RTROT</td>
</tr>
<tr>
<td>Description</td>
<td>OT RETRO</td>
</tr>
<tr>
<td>Calculation rule</td>
<td>Flat amount</td>
</tr>
<tr>
<td>Amount</td>
<td>$0</td>
</tr>
<tr>
<td>Include in Earning</td>
<td>Do not select Retroactive Pay</td>
</tr>
<tr>
<td>Include in Overtime Arrears</td>
<td>Do not select Overtime Arrears</td>
</tr>
<tr>
<td>Tax category</td>
<td>Regular wages (Include base only)</td>
</tr>
<tr>
<td>Include Earnings in</td>
<td>Allocations</td>
</tr>
<tr>
<td>Accrual include</td>
<td>None</td>
</tr>
</tbody>
</table>
Assign Retro Earning for Retroactive Earning Payout - Demonstration

NAVIGATION: Menu > System Configuration > Business Rules > Earnings

When calculating retroactive payments, UltiPro includes all earnings codes configured to be include in Retroactive Pay calculations. Verify the correct earnings are configured to be included in retroactive pay and assign the retroactive payout earnings, if needed.

In this scenario, assign the RETR-Reg Retro earning code you recently added as the retroactive payout when Reg - Regular Pay is calculated.

**To assign retroactive earnings to include in retroactive payout:**

1. From the Earnings business rules, select your earnings.
   - **Earning:** REG- Regular pay
2. From the Detail step, verify the Retroactive Pay box from the Include Earnings In section. The Retroactive Pay Earnings section appears.
3. Select unique Payout Earning For Retroactive Pay
   - **RETR - Reg Retro**
4. Select Save.
Activity 6 - Assign Retro Earning for Retroactive Earning Payout

Assign a retroactive payout earnings code to use specifically for paying out retroactive payments for overtime earnings.

Use the following information to complete the activity:

<table>
<thead>
<tr>
<th>Selection</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings Business Rule</td>
<td>Overtime</td>
</tr>
<tr>
<td>Payout Earning for Retroactive Pay</td>
<td>RTROT - OT Retro</td>
</tr>
</tbody>
</table>
Approve Retroactive Payment - Demonstration

NAVIGATION: Menu > Administration > Payroll Processing > Retroactive Pay

Select the employees from the Retroactive Pay page and change the status to Approved. You can then include all approved retroactive payments in the next payroll. Retroactive payments appear on employees' regular or additional checks during a regular or off-cycle payrolls.

In this scenario, an employee was given a pay increase that was recorded in UltiPro after the effective date. The payroll administrator needs to approve this transaction so that it can be paid in the next payroll processed.

Approve retroactive payments:

1. From the Retroactive Pay page, select the employees to be paid retroactive pay.
   - **Name**: Avarado, Michelle
2. Select Approve to update retroactive payment status to Approve.
Activity 7 - Approve Retroactive Payment

Select the Corp Hourly Wkly employee, Manuel Fernandez, and process a pay increase because of a salary adjustment to $20/hour with the effective date of XX/XX/20XX. From the Pay tab, add the Reg RETRO and OT Retro earnings to Manuel's Earnings tab so you can use these earnings when retroactive payments are calculated for Regular earnings.

From the Retroactive Pay page, view and change the status to Approved for this employee. This retroactive change will calculate for all applicable pay periods and payments will display on this employees' regular or additional checks during a regular or off-cycle payrolls.
Process Retroactive Pay - Demonstration

*NAVIGATION: Menu > Administration > Payroll Processing > Payroll Gateway*

To pay employees' retroactive payments, verify the employees from the Retroactive Pay page have an Approved status. You can then include all approved retroactive payments in the next payroll. Retroactive payments appear on employees' regular or additional checks during regular or off-cycle payrolls.

In this scenario, select to include approved Retroactive Pay for the Michelle Alvarado's and Manny Fernandez's pay group, Corp Hourly Wkly. After the batches are created, review the employee retroactive payments on the employees' pay check. Notice there is a line entry for each pay period that retroactive pay was calculated.

**Process retroactive payments:**

1. From the Payroll Gateway, select the pay group.
2. From the Payroll Overview page, select Start to open your payroll.
   - **Pay Group:** Corp Hourly Wkly
3. From the Start Payroll page, select Include approved Retroactive Pay with this payroll. Only retroactive payments with an approved status are included in the payroll.
   - **Note:**
     Retroactive pay can be included in regular or off-cycle payrolls.
4. Select Run.
5. Select Create batches button.
6. Review the employee's retroactive payments on the employee’s pay check.
Activity 8 - Troubleshoot Retroactive Pay Behaviour

After processing payroll for the Corp Hourly Wkly pay group, view Manuel Fernandez's pay. Explain why the default RETRO - Retro Pay earning code populated on the pay document and not the RETR - Reg Retro that you created in an earlier lesson.
Add a Pending Pay Item - Demonstration

**NAVIGATION: Menu > Administration > Payroll Processing > Pending Pay Item > Add**

UltiPro enables you to add earning and deduction Pending Pay Items for an employee to be deducted over a period of several regular payrolls. Only earnings or deductions assigned to the employee will be available for selection. Depending on the earnings' calculation rule, the hours or amount fields are available. When adding a deduction Pending Pay Item, only deductions with a Flat Amount calculation rule are available.

In this scenario, Mary Pasquale owes the company $307.50 for uncollected taxes that were paid on their behalf for stock options. Enter a pending pay item as a MISC deduction to collect money owed on the next pay date. In addition, management has approved Mary be advanced 40 hours of vacation pay. Enter a pending pay item for the VACHR earning, as well.

**Create an earnings or deduction pending pay item:**

1. From the Add/Change Pay Item page, use the search tool to find and select the employee’s name. The Employee Number, Company, and Pay Group populate automatically.
   - **Mary Pasquale**

2. Select the Pay Item Type as either Earning or Deduction. If you are adding a deduction, you will not be able to use the separate check option.
   - **Earning**

3. Select the specific earnings or deduction code and amount. Enter the Amount or Hours.
   - **Earnings code:** VACHR
   - **Amount:** 40 hours

4. Select Scheduled Pay Date as Next Pay Date or a future payroll date. If Next Pay Date is selected, the pending pay item is available on the next regular payroll.
   - **Next pay dates**

5. Check Separate Check check box, to pay earnings on an additional check. The additional check will include regularly scheduled deductions as well. If you leave this box unchecked, the earning will append to the regular payroll check.
   - **No action needed**

6. Change the Job, Location or Shift fields, if needed.
   - **No action needed**

7. Add a note to explain the pay item. The note is only visible from the pending pay item pages or reports and will not appear in the employee’s paycheck.
   - **Enter "Stock pay-out resulted in tax amount due."**

8. Select Save.

9. From the Add/Change Pay Item page, use the search tool to find and select the employee’s name. The Employee Number, Company, and Pay Group populate automatically.
   - **Mary Pasquale**

10. Select the Pay Item Type as either Earning or Deduction. Deductions can only append to regular payroll checks.
    - **Deduction**
11. Select the specific earnings or deduction code and amounts.
   - **Deduction code:** MISC
   - **Amount:** $307.50

12. Select Scheduled Pay Date as Next Pay Date or a future payroll date. If Next Pay Date is selected, the pending pay item is available on the next regular payroll.
   - **Next pay dates**

13. Add a note to explain the pay item. The note is only visible from the pending pay item pages or reports and will not appear in the employee’s paycheck.
   - **Enter "Vacation pay advance."**

14. Select Save.

To include a Pending Pay Items in payroll the pay items must be in a Submitted status and selected to be paid on the next payroll. Pending Pay Items are only available to be paid on regular payrolls. The Start Payroll page will notify you if pay items are available to process.

**Note:**
Pending Pay Items are pulled into payroll during Create Batch step. If pay items are submitted after Start payroll step, there may be more pay items included in the payroll than reported on the Start Payroll page.
Submit a Pending Pay Item - Demonstration

NAVIGATION: Menu > Administration > Payroll Processing > Pending Pay Item

To include a Pending Pay Items in payroll the pay items must be in a Submitted status and selected to be paid on the next payroll.

In this scenario, submit the earning and deduction pending pay items for Mary Pasquale.

To approve a pending pay item:

1. From the Pending Pay Item page, use the search tool to find and select the employee’s name. The Employee Number, Company, and Pay Group populate automatically.
   - Mary Pasquale

2. Select the Submit button.

3. Search for Pay Item Status of Submitted to view the pay items, if necessary.
Activity 9 - Add and Submit a Pending Pay Item

Complete the activity to add and submit a pending pay item.

For this scenario, Jeanne Foster was issued a stock payment that resulted in tax amounts being owed. Add and submit a deduction Pending Pay Items for this employee to be paid with the next two regular payroll processed. The deduction amount to repay tax amounts is $481.50. Spread the deduction over two pay periods: Next pay period $240.00 and the following pay period $241.50.
Process Pending Pay Items in Payroll - Demonstration

NAVIGATION: Menu > Administration > Payroll Processing > Payroll Gateway > select the pay group.

To include a Pending Pay Items in payroll, the pay items must be in a Submitted status and selected to be paid on the next payroll. Pending Pay Items are only available to be paid on regular payrolls. The Start Payroll page will notify you if pay items are available to process.

In this scenario, Start the Electronic BiWkly Chks pay group and process all pending pay items for Mary Pasquale for the next payroll.

Note:
Pending Pay Items are pulled into payroll during Create Batch step. If pay items are submitted after Start payroll step, there may be more pay items included in the payroll than reported on the Start Payroll page.

To pay Pending Pay Items in Payroll:
1. From the Payroll Gateway, select the pay group.
   - Pay Group: Electronic BiWkly Chks
2. From the Payroll Overview page, Select Start.
3. Ensure the Pending Pay Items are Processed with this Payroll check box is checked.
4. Select Run.
5. Select Create Batches. Submitted pay items are pulled into the payroll work tables.
6. Verify the pay items appears on the employee’s paycheck.

Note:
When processing payroll By Status, Pending Pay Items are automatically included in the payroll.
Activity 10 - Process Pending Pay Items in Payroll

In this scenario, start the Electronic BiWkly DDAs pay group and process all pending pay items for Jeanne Foster for the next payroll. Verify the MISC deduction displays on the employee’s pay.