

Create Historical Payroll Accounting Adjustment Overview

This Quick Reference Guide (QRG) is designed to walk a **Payroll Accounting Adjustment Specialist** through the steps to create a historical payroll accounting adjustment using the Create Journal business process in Workday. By the end of this QRG, users will be able to successfully document and adjust payroll costing for historical Oracle transactions.



The term “Historical Payroll Accounting Adjustment” refers to any Payroll Accounting Adjustments that will impact pay periods that originally posted in Oracle Labor Distribution. These will need to be processed via an accounting journal instead of the Workday-delivered PAA process.

If you are trying to complete a Payroll Accounting Adjustment for pay periods that have posted in Workday, you will do this using the [Create Payroll Accounting Adjustment](#) (link to QRG) procedure in Workday.

Payroll Accounting Adjustments for Medical Center (MC) or University Physicians Group (UPG) workers will be accomplished by a Payroll Partner in Central Finance. The process can be initiated via the following forms:

[Medical Center Payroll Funding Adjustment Request](#)

[University Physicians Group Payroll Funding Adjustment Request](#)

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Gather Documentation

- 1) If a Grant is impacted by the PAA, continue with this step. Otherwise, skip to **Step 2**.

Obtain the following documentation, which will be required for all adjustments involving grants (not just those over 90 days), and save to provide as attachments later:

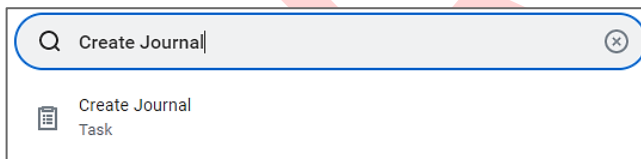
- a. **Retro Cost Transfer PDF Form** (*to be linked here in future*)
 - i. Complete form and obtain approvals
- b. **Copy of Effort Reports**
 - i. Show corrected distribution percentages for payroll and effort percentages accounting for salary over-the-cap and cost sharing, as applicable.

- ii. Ensure this is signed and dated by the Principal Investigator/Designee/Alternate Approver per Policy FIN-027: Time and Effort Certification.
- c. **Grant Budget v Actuals Report** (in Workday)
 - i. Filter to show current *receiving* grant budget balance.
- 2) Obtain the appropriate report from UBI and save to provide as attachments later:
 - a. **UBI LD Pay Adj & Suspense** – Use this report for normal pay period. Filter to show salary/wage expenses for the period being adjusted.
- OR -
UBI GA Actuals – Use this report for an adjustment that does not line up with a normal pay period. Filter to show salary/wage expenses and expenditure item date.
- 3) Crosswalk PTAOs to FDM values
 - a. Use the **QlikSense FDM Mapping Output** if you do not know how the PTAE0 used in Oracle LD maps to Workday FDM values.
- 4) Determine amount of Fringe based on FY and Expenditure Type and document this calculation, saving to provide with attachments later.
 - a. Use the Expenditure Type & Fringe Rate spreadsheet (to be linked).

Create Journal

On the Workday **Home** screen:

- 1) Type **Create Journal** in the search field.
- 2) Select the **Create Journal** task from the Search Results.



The screenshot shows a search bar with the text 'Create Journal' entered. Below the search bar, a search result is displayed: 'Create Journal Task' with a small icon to the left.

On the **Create Journal** screen:

- 3) Complete the following fields:
 - **Ledger** (required) – Select the Actuals Ledger for the appropriate Company.
 - **Accounting Date** (required) – Enter today's date.
 - **Journal Source** (required) – Select **Payroll Accounting Adjustment – Historical**.
 - **Balancing Fund** (required) – Enter **FD002 Unrestricted Local Fund**.
 - **Memo** (required) – Enter memo using the following naming convention: MBU Prefix-computing ID-Description of Journal (ex. FI-ESP5F-Historical PAA for Jane Smith).
 - **Control Total Amounts** (recommended) – Enter total amount of salaries/wages + fringe benefit expense being adjusted. Entering this here will ensure you have a check and balance to your journal entry once all lines are entered in the next step.
- 4) Select **Continue** to display the **Journal Entry Lines** and **Attachments** tabs.

Under the **Journal Entry Lines** tab:

Journal Entry Lines	Attachments
Journal Entry Lines 2 items	

- 5) Click the + button to populate the table with the appropriate number of Journal Entry Lines for your transaction.

Journal Entry Lines	Attachments
Journal Entry Lines 5 items	
+	Order *Company
+ -	<div> <div>×</div> <div>The Rector & Visitors of the University of Virginia</div> </div>



Ensure you have enough Journal Lines to capture **Credit Amount** and **Debit Amount** for each Ledger Account and any necessary splits (i.e., if adjusting across multiple FDM Worktag combinations).

For example, if creating an adjustment for a salaried employee, you will have at least four Journal Entry Lines:

- 1) Salary Credit Amount
- 2) Salary Debit Amount
- 3) Fringe Benefit Credit Amount
- 4) Fringe Benefit Debit Amount

- 6) Complete the following fields for each **Journal Entry Line** created:
- **Company** (required) – Company will auto-populate as per the Ledger selected in **Step 7**.
 - **Ledger Account** (required) – select the appropriate ledger account.
 - **5001: Salaries**
 - **5002: Wages**
 - **5003: Special Payments**
 - **5004: Employee Benefits**
 - **Debit Amount** or **Credit Amount** (required) – Debit and Credit amounts must be entered on separate journal lines.
 - **Memo** (required) – type details about transaction
 - **Budget Date** (required) – Enter the pay period end date or expenditure item date (if different).
 - If you are adjusting pay involving one or more grant worktag(s) the Budget Date must fall within the Award Line To and From dates.
 - **FDM Worktags:** Enter FDM Worktags on Credit and Debit lines (use information obtained from FDM Crosswalk to populate Credit lines).
 - **Gift, Grant, or Designated**
 - If Grant is selected, see the following notes on special Grant circumstances:
 1. For a PAA involving a grant subject to the NIH Salary Cap, you will need to calculate the over the cap amount to allocate to non-sponsored

funds and add a journal entry line accordingly (see Create Payroll Accounting Adjustment QRG for more on SOC).

2. If a cost share grant is selected, there may be alternative allowable worktags that can be selected (as previously established during the Award Setup process). Reference the allowable worktags (use Workday Report "INT RPT Allowed Worktags," if required) and add accordingly.

- **Fund** (required) – May auto-populate
- **Cost Center** (required) – May auto-populate
- **Function** (required) – May auto-populate
- **Program**
- **Project**
- **Additional Worktags** – may auto-populate based on the selected **Cost Center**, however for Historical PAAs, select the following:
 - **Spend Category** (required) – Salaries Classified Staff FT (SC0029), Fringe Benefits Classified Staff FT (SC0081), etc. For grants, the spend category will also drive an **Object Class** worktag.
 - **Employee** (recommended) – To be able to report on this at the employee level, type the employee's name in the additional worktags search field and select the Employee (not Assignee).

- **Exclude from Spend Report** – leave unchecked.

- 7) Verify **Debit Amount** and **Credit Amount** fields in the Journal Entry Lines match the **Total As-Entered Transaction Debits/Total As-Entered Transaction Credit** fields and the **Control Total Amount** under the Journal Details section:

Journal Information

Ledger: The Rector & Visitors of the University of Virginia - Actuals

Accounting Date: 03/31/2022

Period: Mar-FY2021-2022 Actuals (The Rector & Visitors of the University of Virginia)

Currency: USD

Journal Source: Payroll Accounting Adjustment - Historical

Balancing Fund: PD002 Unrestricted Local Fund

Optional Balancing Worktags:

Book Code:

Journal Details

Memo: FIESPSF-Historical PAA for Jane Smith

External Reference ID:

Adjustment Journal: ☐

Create Reversal: ☐

Reversal Date:

Include Tax Lines: ☐

Control Total Amount: 1,381.00

Total As-Entered Transaction Debits: 1,381.00

Total As-Entered Transaction Credits: 1,381.00

Journal Entry Lines

Order	Company	Ledger Account	Debit Amount	Credit Amount	Memo	External Reference ID	Budget Date	GR	Grant	Designated
1	The Rector & Visitors of the University of Virginia	5001 Salaries	1,000.00	0.00	pay adjustment		01/09/2022			
2	The Rector & Visitors of the University of Virginia	5004 Employee Benefits	381.00	0.00	fringe benefits adjustment		01/09/2022			
3	The Rector & Visitors of the University of Virginia	5001 Salaries	0.00	1,000.00	pay adjustment		01/09/2022			
4	The Rector & Visitors of the University of Virginia	5004 Employee Benefits	0.00	381.00	fringe benefits adjustment		01/09/2022			

Under the **Attachments** tab:

Journal Entry Lines

Attachments

Attachments

- 8) Attach documentation (required):
- Select the **Attachments** tab.
 - Drag and drop the following supporting documentation to the field or select the **Select Files** button to browse your documents:
 - Grant-related documentation if grant is impacted:
 - Retro Cost Transfer Form
 - Copy of Effort Reports
 - Expenditure Detail Report (UBI: GA Actuals or GA BBA) of salary expenses requested to be transferred
 - Workday Report (TBD) providing receiving grant budget balance
 - UBI LD or GA Report(s)
 - Fringe calculation
- 9) Click **Submit**.

You have successfully completed this task. It will now be routed based on the configuration.