**Payroll Reconciliation Process**

The reconciliation process follows [Financial Services’ Best Practices guide](https://www.asu.edu/fs/documents/Best_Practices_Reconciling_Payroll_Expenses.pdf) for B17XX. Each department should dedicate a payroll folder on a secure shared drive (access to this folder is limited by position and periodically reviewed to ensure security). At the beginning of each fiscal year personnel files are reviewed to ensure the salary in PeopleSoft is documented by file contents – offer letters, retention offers, reclassifications, promotions, etc. Personnel files must remain current at all times. Documentation for any pay changes, new hires, terminations or any other action that effects pay rates for the time frame is placed in the appropriate personnel file. This documentation provides verification for the accuracy of Personnel Transaction Requests (PTR). Copies of PTRs are placed in personnel files.

If applicable, Technology use form (TUF) documentation for wireless device reimbursements and/or university owned devices is kept on the shared drive in a dedicated technology subsidy folder organized by fiscal year.

Each pay period Dashboard reports are run and filed electronically by fiscal year in the shared drive payroll reconciliation folder. Reconciliations are completed for every pay period as soon as payroll expenses have interfaced into the financial management system (FMS) and no later than 30 days after fiscal month end close. The reconciliations are started prior to each pay day with the timely review of the On-Cycle Payroll Register Dashboard and completed immediately following each pay day or when the FMS interface has occurred.

Reconciling payroll includes:

1. Verification of the compensation rate for each employee documented against an offer letter or other source document. This happens once per fiscal year unless payroll reports show a change to the rate.

2. Verification that salary/wages paid are correct.

3. Verification employees were paid from the appropriate account.

4. Verification that hours worked and leave time reported are accurate and have been approved by a supervisor. This documentation is available in reports in the Time and Attendance Support (TAS) website if used by your unit. If not using TAS, email approval or signed Peoplesoft time submission printouts should be used. Department Time Administrator (DTA) is required to verify time reported in PeopleSoft against method of supervisor approval before approving for payroll.

5. Verification of On-Cycle payroll expenses completed two days prior to pay day (for a Friday pay day, the on-cycle register is available Wednesday morning).

Following is a list of Payroll Reconciliation Dashboard Reports reviewed and verified by DTA:

* Compensation Rate – Exception report. Identifies rate of pay changes between the selected pay period and the prior pay period. Exceptions are noted and explained with backup documentation on file. Documentation is reviewed to ensure actions are reflected in PeopleSoft with effective dates in the matching payroll period.
* Biweekly payroll summary – Exception report. Provides pay period salary/wages by employee compared against calculated pay from Job Data. The detail view of this report contains additional information including account distribution. Any exceptions are noted; backup documentation is also reviewed to ensure any actions effective in that pay period are reflected in payroll. Biweekly detail is also reviewed for accuracy of account/time codes (sup, vac, sck, etc.) as entered in Peoplesoft/approved by employee’s supervisor. The full list of earnings codes can be found [here](https://cfo.asu.edu/payroll-process-earnings-codes).
* Non-Exempt hourly - Provides time reporting information for hourly employees by pay period on approved hours, hours paid, unapproved hours and standard hours. Report is reviewed to verify approval of reported hours and to identify exceptions.
* On-Cycle Payroll Register – The On-Cycle Payroll Register is available two days before pay day. This report lists all employees who will be paid comparing their gross pay amounts between two consecutive pay periods. Departments can view information by department ID (HR Code), employee ID or VP/College. Gross pay can be shown by earnings code and paid hours. Payroll register is reviewed prior to each pay period (DTA sets a calendar reminder for this task). Exceptions are noted and explained with backup documentation on file.
* Off-Cycle Payroll Register - Displays gross pay for off cycle pay periods.

The Financial Lead in the department should conduct a periodic (at least quarterly) review of the Budget Position Control report in Workday FMS for department accounts. This is to ensure employees are paid on the correct account and there is no unauthorized payroll expense. This is also used to track unencumbered payroll expenses for planning.

**Department Time Administration**:

Department Time Administrator (DTA) is responsible for following the [business process guide](https://www.asu.edu/fs/documents/Department-Time-Administration-BPG.pdf). All employees request leave approval and hourly employees report hours worked via the Time Administration System (TAS). Employees are responsible for accurately entering time in TAS, if used, and PeopleSoft. The supervisor responds to the request in TAS, if used, and the DTA confirms supervisor approval in TAS or via established unit method before approving any time reported in PeopleSoft. Where possible, time requests are submitted prior to leave being taken; unplanned leave, generally sick time, can be approved after the fact. The DTA contacts employees and/or supervisors to ensure that time taken is accounted for and that any discrepancies between systems or approved and entered hours are resolved prior to time approval deadlines, found [here](https://cfo.asu.edu/payday-and-payroll-calendars). The unreconciled time report available in TAS can be used to assist with this resolution.

* DTA should save a copy of each pay period’s TAS report, or other approval documentation, once time is fully verified and approved.
* DTA should save a copy of any late time approval emails as backup for the Non-Exempt Hourly report approved vs. paid hours. Naming convention for each document should be pay period\_employee last name\_ employee first initial, i.e. 050420-051720 Jones, A.