

# Payroll Reconciliation

## ROWAN UNIVERSITY POLICY

**Title:** *Payroll Reconciliation Process*

**Subject:** *Payroll Services*

**Policy No:** *Fin: 2015:23*

**Applies:** *University-Wide*

**Issuing Authority:** *Senior Vice President for Finance and CFO*

**Responsible Officer:** *Payroll Director*

**Adopted:** *07/01/2005*

**Last Revision:** *11/01/2019*

**Last Reviewed:** *11/16/2020*

### I. PURPOSE

The purpose of this policy is to ensure that all employees are paid accurately and timely, and that withholdings and deductions are correct and remitted in a timely manner. This includes salary payments, tax withholdings, and deductions from paychecks.

### II. ACCOUNTABILITY

At the direction of the Senior Vice President for Finance and CFO, the Payroll Director shall implement and ensure compliance with this policy.

### III. APPLICABILITY

This policy applies to all employees of the University.

### IV. POLICY

1. The Payroll Services department plays a major role in the University. From an accounting perspective, payroll and payroll taxes considerably affect the net income of the University and are subject to federal and state laws and regulations. From a human resources viewpoint, employees want to be paid timely and accurately and are sensitive to payroll errors and irregularities.
2. Time sheets are submitted at regular intervals to Payroll Services for entry into the Banner System (either WTE, Novatime Import). Since the payroll is prepared and processed by the University for all Rowan employees, designated payroll staff runs payroll trials on a daily basis to verify the reasonableness of the current period's payroll expense (i.e., reviewing total hours worked, total employees being paid, etc.). Additionally, several data test runs are performed online to generate an exception report to further ensure that the period's payroll is reasonable. The exception/edit reports consist of disposition processes that include PHRDERR & PHRDCON reports.
3. The designated payroll staff reconciles all payroll processing data on a Reconciliation Sheet. Once all employees reach a disposition 70 status, checks and direct deposits are processed, and the finance feeds PHPFEXP and NHPFIN2 are submitted, and all appropriate departments are notified.

### V. ATTACHMENT

1. Attachment A - Reconciliation Process

## ATTACHMENT A

## RECONCILIATION PROCESS

1. The Payroll Services support staff is responsible to complete the reconciliation sheet for checks and balances of hours worked, expenses and liabilities for current pay period. Payroll support staff runs reports throughout payroll cycle and reconcile spreadsheet to ensure current pay periods reasonableness expense, hours worked and number of payments issued.
2. Payroll Services and Human Resources have access to the Banner System to make appropriate changes.
  - a. The PHAHOUR screen is reviewed as well as the PHRDERR, PHICHEK, PHRPREG, & PHRDCON reports to ensure that the changes made by Payroll Services or Human Resources produced accurate output.
3. Processes are recorded on the payroll processing sheet.
  - a. PHRDERR report lists all employees in an error status and identifies specific error. Employees listed on this report may still receive a paycheck depending upon the specific error. Payroll Services attempts to resolve the errors generated during the trial runs before the final payroll.
  - b. Reports are run to check all employees have completed their WTE timesheets and they are accurate. Timesheets not completed within deadlines, corrections and errors are revised with a Time and Attendance form signed by employee and Supervisor and submitted electronically to Payroll to enter the change.