

Payroll Calendar Year End

ERP-Statewide

Exported on 12/19/2019

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No headings included in this document

This article details the steps needed to process calendar year end in HR/Payroll. **It is the top level overview of the CYE payroll process.** There are links within this document to other documents which provide additional detail on performing the CYE process.

Best Practice

This article documents the best practice order to process the payroll calendar year end. Other options exist and may be necessary depending on specific payroll deadlines and schedules. A flowchart detailing the various decisions which can be made regarding the order of CYE processing is available at the following link, [CYE Payroll Flowchart](#)¹. Please contact your ITC for specific questions about the payroll CYE processing flow.

1. For all employees with life insurance over 50K, verify the amount showing in Accruals YTD on the Deductions tab in Employee Information (Human Resources > Employee > Employee Information > Payroll Information > Deductions). Each district may have a different deduction code for their life insurance over 50K.
 - **This step must be completed prior to the last payroll of the calendar year in case any adjustments need to be made during the last payroll of the year.**
2. Hide W2s for the current calendar year in EAC.
 - a. Change the 'Hide W2 Year' setting (Profile > Other Setup) to the **new calendar year**.
 - This may have already been done at the end of the CYE processing during the prior year.

Choose a Category: ▼

	Identifier	Description	Value
Edit	2706	Allow Impersonation	Y
Edit	5170	Hide 1095-C Year	
Edit	5511	Hide Expired Contracts From Users	N
Edit	2901	Hide W2 option from Employees that have W2 printed	N
Edit	2170	Hide W2 Year	2018
Edit	2900	Hide W2 Year from Employees that have W2 printed	
Edit	2615	SSN Masking Method on Forms	None
Edit	5512	Text To Display For Expired Contract	Expired

- b. As a reminder, the 'Allow Update of Printed or EAC W2s' setting (Profile, Tax Setup) must be set to Y to allow employees the option of deciding to receive their W2 via a printed form or in EAC.

¹ https://community.mcoecn.org/download/attachments/38865618/CYE_payroll_processing_flowchart.pdf?api=v2&modificationDate=1543854112777&version=1

Choose a Category: ▼

	Identifier	Description	Value
Edit	2119	Allow Update of Federal Exempt field	N
Edit	2162	Allow Update of Federal Tax	N
Edit	2504	Allow Update of Local Exempt field	N
Edit	2163	Allow Update of Local Tax	N
Edit	5509	Allow Update of Printed or EAC 1095-Cs	Y
Edit	2509	Allow Update of Printed or EAC W2s	Y
Edit	2215	Allow Update of State Exempt field	N
Edit	2164	Allow Update of State Tax	N
Edit	2099	Federal Tax Link	
Edit	2184	Federal Tax Link Text	Additional Information
Edit	2097	Local Tax Link	
Edit	2186	Local Tax Link Text	Additional Information
Edit	2120	Show Federal Tax	Y
Edit	2121	Show Local Tax	Y
Edit	5508	Show Printed or EAC 1095-C choice	Y
Edit	2508	Show Printed or EAC W2 choice	Y
Edit	2122	Show State Tax	Y
Edit	2098	State Tax Link	
Edit	2185	State Tax Link Text	Additional Information

3. Process the last payroll of the calendar year.
4. Run all normal monthly reports and perform the normal monthly payroll processes.

⚠ Do NOT Clear Monthly Totals

Do NOT clear monthly totals at this time. The monthly totals will be cleared when running the Calendar process later in the CYE procedures.

5. Run all normal quarterly reports and perform the normal quarterly payroll processes. The quarterly process is detailed on the [Payroll Quarter End²](#) page.

⚠ Do NOT Clear Quarterly Totals

Do NOT clear quarterly totals at this time. The quarterly totals will be cleared when running the Calendar process later in the CYE procedures.

6. Run the following YTD reports.

⚠ Save Reports as PDF Files

The following reports should all be saved as PDF files on a network shared drive which is accessible by treasurer office payroll staff and which is backed up on a regular basis.

- a. **Check History** (HR > Reports > Payroll)
 - i. *The source of data on this report is employee check history.*
 - ii. Run this report twice.
 - iii. Run 1
 1. Use the Summary option.

² <https://community.mcoecn.org/display/ERPPublic/Payroll+Quarter+End>

2. Use a range of dates for the **calendar year** (MM/DD/YYYY:MM/DD/YYYY) in the Check Date field.
- iv. Run 2
 1. Use the Concise option.
 2. Use a range of dates for the **calendar year** (MM/DD/YYYY:MM/DD/YYYY) in the Check Date field.
 3. Select the sort option of Employee Name.
 4. Check the box to include the Summary report.
- b. **Concise Check Register** (HR > Reports > Payroll)
 - i. *The source of data on this report is employee check history.*
 - ii. Use a range of dates for the **calendar year** (MM/DD/YYYY:MM/DD/YYYY) in the Check Date field.
 - iii. Select Regular, Manual and Void checks.
- c. **Employee Payroll Activity** (HR > Reports > Payroll)
 - i. *The source of data on this report is the payroll audit data of changes.*
 - ii. Use a range of dates for the **calendar year** (MM/DD/YYYY:MM/DD/YYYY) in the Date Changed field.
- d. **Federal/State/Local Tax Report** (HR > Reports > Payroll) - *optional report*
 - i. *The source of data on this report is employee check history.*
 - ii. Run this report three times.
 - iii. Run 1
 1. Select Federal Tax Report
 2. Select Report By Employee
 3. Select Issued Checks and Voided Checks
 4. Enter the first date of the **calendar year** (MM/DD/YYYY) in the Enter Start Date field.
 5. Enter the last date of the **calendar year** (MM/DD/YYYY) in the Enter Stop Date field.
 - iv. Run 2
 1. Select State Tax Report
 2. Select Report By Employee
 3. Select Issued Checks and Voided Checks
 4. Enter the first date of the **calendar year** (MM/DD/YYYY) in the Enter Start Date field.
 5. Enter the last date of the **calendar year** (MM/DD/YYYY) in the Enter Stop Date field.
 - v. Run 3
 1. Select Local Tax Report
 2. Select Report By Employee
 3. Select Issued Checks and Voided Checks
 4. Enter the first date of the **calendar year** (MM/DD/YYYY) in the Enter Start Date field.
 5. Enter the last date of the **calendar year** (MM/DD/YYYY) in the Enter Stop Date field.
7. Perform the following comparisons to verify the payroll data is balanced.
 - a. Compare the YTD report totals for *each deduction code* on the **Salary and Deduction Data** report to the report totals on the calendar YTD version of the **Check History - Summary** report.
 - b. Compare the calendar year totals for the federal, state, local and Medicare taxes on the **Payroll File Totals** report against the calendar year totals on the **Calendar YTD** report.

⚠ Rerun Reports if Any Out of Balance Issues Were Found

If any out of balance issues were found while performing the above comparisons in step 7, you **MUST** go back and rerun the reports in step 6 after correcting the issues. Contact your ITC for assistance with any of these issues. This may involve going back and rerunning QTD versions of these reports.

8. Process employee W2s using the steps on the [W2 Processing](#)³ page. The W2 forms will be printed later in the CYE process.

⚠ Do NOT Purge Employee W2 Work File

NEVER purge the employee W2 work file. The **ONLY** exception to this is purging the current work file if you will be rerunning the create process to reload the file while processing the current calendar year. Employee access to W2 data and reprints of W2 data originate from the employee W2 file.

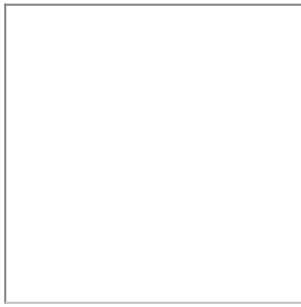
9. Use the payroll history (HR>Periodic Routines>Periodic Processing>Payroll History) feature of eFP to save a snapshot of payroll prior to running the Calendar payroll process.
- Click the Save icon in the top action bar.
 - Use **12/31/20XX** for the capture date and check the All Records check box. The 12/31/20XX date will indicate the payroll history snapshot is your CYE snapshot.

- Click the green OK icon twice to create the payroll history.
 - Verify the information has been saved and click OK.
10. Contact your ITC so they can perform a full database backup. The above payroll snapshot is **NOT** a replacement for this full backup performed by your ITC.

⚠ STOP! Do NOT Proceed Without a Backup

Contact your ITC to request a backup of the CYE data.

³ <https://community.mcoecn.org/display/ERPPublic/W2+Processing>



⚠ W2 Copy Process

Do NOT proceed if the W2 Copy process has not been completed. Doing so will cause the loss of calendar W2 data!


11. Run the Calendar (HR > Periodic Routines > Year-End) process.
 - This process clears the calendar YTD, QTD and MTD totals from both the Earnings and Withholdings tabs in Employee Information.

⚠ IMPORTANT

There are two important items to note when running the Calendar process.

- **Ensure the default date of 12/31/1990 shows in the Date field. Do NOT change this date to a more recent date. The Date field is used to determine which, if any, check history records are deleted during the Calendar process.**
- **Do NOT check the Purge Terminated Pay Rates box.**

Criteria

Date * × 

Purge Terminated Pay Rates

12. Update federal, FICA, state and local tax tables for new year.
 - Contact your ITC for assistance with updating your tax tables.
13. Update life insurance taxable amounts if needed.
 - a. This process is completed in the Group Life Insurance table (HR > Reference Tables > Payroll).
 - b. Premium amounts can be changed in this table according to the federal guidelines for the taxable amount of life insurance over 50K. Contact your ITC if you have any questions about this process.
14. Update deduction table.
 - Any changes to the deduction reference table which will take effect with the first payroll of the new calendar year should be done at this time.
15. Update employee deductions.

- Any employee specific deduction changes which will take effect with the first payroll of the new calendar year should be done at this time.
- Update any other necessary payroll reference tables.
 - Any changes to any payroll reference tables which will take effect with the first payroll of the new calendar year should be done at this time.
 - Post effective date changes.
 - Post any effective date changes using Effective Date Changes (HR> Periodic Routines > Periodic Processing) submitted by employees which should be posted prior to the first payroll of the new calendar year.
 - Update the report year to be the new calendar year on the Federal/State Reporting tab in the HR Profile (System Administration > Profiles).

Local System Options | Payroll | **Federal/State Reporting** | Direct Deposit Voucher Email | Miscellaneous

Federal/State Information

Employer Fed Tax ID

Employer Name

Employer Address

Employer City

Employer Zip Code State

Report Year


State Employer ID

- Process the first payroll for the new calendar year.

⚠ Fund Accounting Interface
 If the FAM calendar year end process has not been completed, do NOT run the Fund Accounting Interface from the Pay Run Processing menu until FAM is in the new calendar year.

- After completing your first payroll of the new calendar year, unhide W2s in EAC.
 - Change the 'Hide W2 Year' setting (Profile > Other Setup) to the **new calendar year**.

Choose a Category:

	Identifier	Description	Value
Edit	2706	Allow Impersonation	Y
Edit	5170	Hide 1095-C Year	
Edit	5511	Hide Expired Contracts From Users	N
Edit	2901	Hide W2 option from Employees that have W2 printed	N
Edit	2170	Hide W2 Year 	2019
Edit	2900	Hide W2 Year from Employees that have W2 printed	
Edit	2615	SSN Masking Method on Forms	None
Edit	5512	Text To Display For Expired Contract	Expired

- Complete and submit the 941 form.

22. Create and submit electronic W2 files for federal, state and local.
 - a. The process to create the electronic file for federal and state submissions is located on the [W2 Electronic File Creation and Submission](#)⁴ page.
 - b. The process to create the electronic file for local tax entities is located on the [W2 Local Tax Electronic File Creation](#)⁵ page.
23. Test print a single W2 using the instructions in the [Test Print an Individual W2 Form](#)⁶ section on the W2 Form Printing page.
24. Print W2s for all employees using the instructions in the [Print W2s for All Employees](#)⁷ section on the W2 Form Printing page.
 - Any employees who opted to receive their W2 in EAC won't receive a printed W2.
25. **After ensuring the W2 process has been fully completed for the calendar year which just ended**, update the W2 parameters (as needed) and add a W2 employer record **for the new calendar year which just started**. This will allow the W2 process to be run each month or each quarter throughout the calendar year. Instructions for these setup steps are contained on the [Setup W2 Parameters and W2 Employer Record](#)⁸ page.

Related articles

Content by label

There is no content with the specified labels



⁴ <https://community.mcoecn.org/display/ERPPublic/W2+Electronic+File+Creation+and+Submission>

⁵ <https://community.mcoecn.org/display/ERPPublic/W2+Local+Tax+Electronic+File+Creation>

⁶ <https://community.mcoecn.org/display/ERPPublic/W2+Form+Printing#W2FormPrinting-TestPrintanIndividualW2Form>

⁷ <https://community.mcoecn.org/display/ERPPublic/W2+Form+Printing#W2FormPrinting-PrintW2sforAllEmployees>

⁸ <https://community.mcoecn.org/display/ERPPublic/Setup+W2+Parameters+and+W2+Employer+Record>