



## **Unicorn HRO**

# **General Ledger Processing**

iCON can be used to accumulate payroll amounts which can be interfaced to your financial system.

### **Set-up:**

1. Chart of Accounts Definition: define the structure of the account number. You can have a maximum of 9 segments, with up to 32 characters.
2. Legal Entity Definition: associate a Chart of Accounts with the legal entity.
3. COA Segment Validation: if you wish to only allow pre-determined segment values at each point of entry, enter the valid entries in this function. Select the Validate Account Segments checkbox in HR System Defaults.
4. Enter account number segments in the following:
  - Account Manager (Legal Entity): enter the Net Cash account for the legal entity. If you will be using the Estimate and Reversal functions, enter all other account numbers as well. This can also be entered from the Legal Entity Definition function.
  - Account Manager (Deductions): For each deduction within your legal entity, enter the account numbers. If there is an employer contribution, enter the first two accounts. For employee deductions, enter the third account. This information can also be entered in the Employer Deduction Contributions function.
  - Account Manager (Pay Codes): For each pay code within your legal entity, enter the account numbers. This information can also be entered in the Pay Code Definition function.
  - Account Manager (Federal Taxes): For each federal tax within your legal entity, enter the account numbers. Enter the employer and/or employee accounts.
  - Account Manager (State Taxes): For each state tax within your legal entity, enter the account numbers.
  - Account Manager (Local Taxes): For each local tax within your legal entity, enter the account numbers.
  - Account Manager (Entitlement Accruals): if you wish to write entitlement accruals to the G/L tables when a pay cycle is processed, enter account number here. A separate report will be produced when G/L Report By Date is run. You may also run the Entitlement Liability Report at any time to print the calculated and G/L accrued entitlement amounts for the current year.
5. If you wish to enter default G/L account numbers by organization, position or employee number, use the G/L Account Organization Setup function. By using this feature, you do not need to enter home account numbers for each employee in Misc. Payroll.

### **Processing:**

General Ledger processing occurs in the following areas:

1. Payroll Close and Void Process
2. G/L Report By Date or G/L Translated Data Report
3. G/L Interface Estimate Generation
4. G/L Interface Reversal Generation
5. G/L Interface Purge
6. G/L Account Translation Process
7. COA Segment Validation

## **1. Payroll Close (submitted from Pending Payments, Close Process For One Employee, Manual Payments, Net To Gross Calculator) and Void Process**

When a payment is processed through one of these functions, G/L amounts are retrieved and the account number is created. When creating the account number for pay, the system will get the segment values from Pay Code Definition. If any segments exist in Account Distribution or Misc. Payroll, the corresponding pay code segment(s) will be overridden with these values. Next, if any segments have been overridden on the source data (Time and Attendance, Lump Sums or Manual Payment), those segment values will be overridden.

For example, if there are 2 segments, and the pay code is defined as:

001 \_\_\_\_

And the employee works in department 400 and his home account number is:

\_\_\_\_ 400

When the employee is paid, the account number will be:

001 400

If the employee worked in department 415 for one pay cycle, and the payroll clerk entered 415 in the second G/L segment in Time and Attendance, the account number would be:

001 415

The same procedure is followed to create account numbers for taxes, deduction and net pay.

This process generates data in three tables: GL\_Detail, GL\_JE and GL\_JE\_EE.

- GL\_Detail contains General Ledger Amounts and Hours summarized by Legal Entity, G/L Date, Employee#, Pay Type and G/L Account.
- GL\_JE contains General Ledger Amounts and Hours summarized by Legal Entity, G/L Date, Entry Type (Actual), Employee/Employer, Debit/Credit, G/L Type (PAY, DED, TAX, NET), G/L Code (i.e. REG, FICA, SUI, NET) and G/L Account.
- GL\_JE\_EE is the same as GL\_JE, except that it also contains the employee number field. Whereas GL\_JE summarizes amounts by account number, the GL\_JE\_EE table stores information at the employee detail level.

The process first gathers all Pay Distribution records for the Tax Year and Legal Entity specified on the prompt.

For each Pay Distribution, it will accumulate the total Amount and Hours into GL\_Detail. It will also create a summary Debit Employee Actual record for “PAY” and the Payroll Distribution’s Pay Type and Account.

### **For each Employee who has Account Distribution data:**

Calculate the Amount of Pay Distributed to each Account. It will also calculate the Total Amount of Pay Distributed for the Employee. The Pay Distribution Percent equals the Amount of Pay Distributed divided by the Total Amount of Pay Distributed.

Get the Employee's Wages for the Tax Year and Legal Entity specified on the prompt.  
Get the Employee's Payroll for the Tax Year and Legal Entity specified.  
Get the Chart Of Account ID from the Entity Definition of the Legal Entity specified.  
Get the Chart Of Account Formatting for that Chart Of Account ID.

**Distribute the Employee's Net Wages (from EE\_Wages) :**

If the Employee had a Main Account defined in Misc. Payroll:

Start with the Net Cash Credit Account from Entity Account Definition.

Overlay any open segments with segments from the Main Account.

If this results in an empty G/L Account, set the G/L Account to all 9's.

Look for an Employee Credit summary record for the Legal Entity and G/L Date specified with Entry Type "A" (Actual), G/L Type "NET", G/L Code "NET" and Account # determined above.

If no record is found, create it.

Add the Net Wages and Hours to the Accumulators.

IF the Employee did not have a Main Account, use the Account Distribution. For each Account Distribution record:

Start with the Net Cash Credit Account from Entity Account Definition.

Overlay any open segments with segments from the Account Distribution.

If this results in an empty G/L Account, set the G/L Account to all 9's.

Look for an Employee Credit summary record for the Legal Entity and G/L Date specified with Entry Type "A" (Actual), G/L Type "NET", G/L Code "NET" and Account # determined above.

If no record is found, create it.

Add the Account Distribution Percentage of Net Wages and Hours to the Accumulators.

**For Each Employee's Federal Tax:**

For Each Pay Distribution Account:

Start with the Federal Tax G/L Account for the Federal Tax in process.

Overlay any empty segments with segments from the Pay Distribution Account.

If no Federal Tax G/L Account is found, use the Pay Distribution Account.

Look for an Employee Credit summary record for the Legal Entity and G/L Date specified with Entry Type "A" (Actual), G/L Type "TAX", G/L Code from Tax and Account # determined above.

If no record is found, create it.

Add the Pay Distribution Percentage of Tax Amount and Hours to the Accumulators.

**For each Employer's Federal Tax:**

Summarize both Employer Credit and Employer Debit records. Start with the Employee Credit and Debit G/L Account Numbers defined for the Federal Tax.

Repeat process for **State** and **Local Taxes**, using associated fields.

Repeat process for each **Employee Deduction**.

## **2. G/L Report By Date**

This report can be run for a particular Pay Period End Date, or a range of dates. You can choose to run this process Interactively or in Batch. It will also generate a report using the Report ID you specify. The G/L Report By Date uses the GL\_JE summary data.

This report is run by Legal Entity, with From and To dates. The Payroll Processing Group is optional.

If you use the G/L Translation Process, run the G/L Translated Data Report instead.

## **3. G/L Interface Estimate Generation**

This function is used to generate and report “Estimated” General Ledger Interface Data.

This process will generate GL\_JE records with Entry Type “E” (Estimated) and “O” (Original). All of the processing below will be for the Legal Entity and G/L Date selected. Note that the user can only select G/L dates for which there resides “Actual” data. The user also must enter a percentage to apply when creating the Estimated Amount for the new Estimated Entry.

It will first generate Estimated Credit and Debit Entries for each “Actual” Employee Pay Entry. It will start with the Estimated Expense Credit and Debit Account #'s from the Entity Definition, and then overlay the “Actual” Account #.

It will then generate an Estimated Credit Entry for each Employer Tax Entry. This will start with the Estimated Tax Credit Account # and overlay the “Actual”.

It will also generate an Estimated Debit Entry for each Employer Tax Entry. This will start with the Estimated Tax Debit Account # and overlay the “Actual”.

It will generate Estimated Credit Entries for each Employer Deduction Entry. This will use the Estimated Deduction Credit Account # and overlay the “Actual”.

It will generate Estimated Debit Entries for each Employer Deduction Entry. This will use the Estimated Deduction Debit Account # and overlay the “Actual”.

## **4. G/L Interface Reversal Generation**

This function is used to generate and report “Reversal” General Ledger Interface Data.

Using the Reversal Date entered, this process will get the Most Recent Estimated Entry Date for the Legal Entity selected.

It will then generate a Reversal Entry (Entry Type “R”) for all the Estimated Entries with the Most Recent Estimated Entry Date. It will create the Entry with the same Amount as the Estimated Amount, but it will use the appropriate Reversal Account #'s from the Entity Account Definition.

## **5. G/L Interface Purge**

This function will Purge the selected GL\_JE Summary records.

When you select a Legal Entity, it will show you all of the available General Ledger Data. Select which data you want to purge, and then press Purge. You will get a confirmation message. This process only runs interactively, as the purge should only take a short amount of time.

## **6. G/L Account Translation Process**

The system allows you to translate general ledger segments from one value to another. This occurs after you have run your normal G/L Interface Actual Generation, G/L Interface Estimate Generation and G/L Interface Reversal Generation. The G/L Account Translation Process is run which takes the entries in GL\_JE\_EE and translates them into entries in GL\_JE\_EEX. From that point they can be interfaced to your financial system, etc. The new file can be purged as necessary.

To use this feature, follow these steps:

- In Chart of Accounts Definition, enter a character in the Wild Card Symbol field if you do not wish to use the default symbol of "#". Whatever you enter here will be used as a wild card in the G/L Account Translator Setup.
- In G/L Account Translator Setup: for each legal entity, enter the original G/L segment value that you wish to have translated, along with the corresponding result that you wish to produce.

After you have run the normal G/L functions (Payroll Close, G/L Estimate Interface Generation, G/L Reversal Interface Generation), run the G/L Account Translation Process.

Use entries in table GL\_JE\_EEX, rather than GL\_JE\_EE, to interface to your financial software package. Run the G/L Translated Data Purge as necessary when you wish to purge old data.

## **7. COA Segment Validation**

Use this function to define valid chart of account segment values for your organization. Once values are associated with a legal entity in this function, you can access them by right clicking in any G/L account number field.

Note: To activate the validation of account number segments, go to the HR System Defaults function and select the Validate Account Segments option. If you don't select that option, you can use the defined values or enter new values in G/L account number fields.

To streamline the process of creating valid segment values, you can import segment numbers from a file. The file containing the values must be in comma-separated value format and have a .d extension.