

**Oracle® HRMS for South Africa**

Supplement

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Primary Author: Swathi Mathur

Contributing Author: Gowri Arur, Pragya Singh Nair, Chetna Arora, Gyan Andhee, Heather Davidson

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# Send Us Your Comments

## **Oracle HRMS for South Africa Supplement, Release 12.2**

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- Are the implementation steps correct and complete?
- Did you understand the context of the procedures?
- Did you find any errors in the information?
- Does the structure of the information help you with your tasks?
- Do you need different information or graphics? If so, where, and in what format?
- Are the examples correct? Do you need more examples?

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# Preface

## Intended Audience

Welcome to Release 12.2 of the *Oracle HRMS for South Africa Supplement*.

This guide assumes you have a working knowledge of the following:

- The principles and customary practices of your business area.
- Oracle HRMS.

If you have never used Oracle HRMS, Oracle suggests you attend one or more of the Oracle HRMS training classes available through Oracle University

- Oracle Self-Service Web Applications.
- The Oracle Applications graphical user interface.

To learn more about the Oracle Applications graphical user interface, read the *Oracle E-Business Suite User's Guide*.

See Related Information Sources on page xii for more Oracle E-Business Suite product information.

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## Structure

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## Related Information Sources

Oracle HRMS shares business and setup information with other Oracle Applications products. Therefore, you may want to refer to other user guides when you set up and use Oracle HRMS.

You can read the guides online by choosing Library from the expandable menu on your HTML help window, by reading from the Oracle Applications Document Library CD included in your media pack, or by using a Web browser with a URL that your system administrator provides.

If you require printed guides, you can purchase them from the Oracle store at <http://oraclestore.oracle.com>.

### Guides Related to All Products

#### *Oracle E-Business Suite User's Guide*

This guide explains how to navigate, enter data, query, and run reports using the user interface (UI) of Oracle E-Business Suite. This guide also includes information on setting user profiles, as well as running and reviewing concurrent requests.

#### *Oracle Application Framework Personalization Guide*

This guide covers the design-time and run-time aspects of personalizing applications built with Oracle Application Framework.

### Guides Related to This Product

#### *Oracle Human Resources Management Systems Enterprise and Workforce Management Guide*

Learn how to use Oracle HRMS to represent your enterprise. This includes setting up your organization hierarchy, recording details about jobs and positions within your enterprise, defining person types to represent your workforce, and also how to manage your budgets and costs.

*Oracle Human Resources Management Systems Workforce Sourcing, Deployment, and Talent Management Guide*

Learn how to use Oracle HRMS to represent your workforce. This includes recruiting new workers, developing their careers, managing contingent workers, and reporting on your workforce.

*Oracle Human Resources Management Systems Payroll Processing Management Guide*

Learn about wage attachments, taxes and social insurance, the payroll run, and other processes.

*Oracle Human Resources Management Systems Compensation and Benefits Management Guide*

Learn how to use Oracle HRMS to manage your total compensation package. For example, read how to administer salaries and benefits, set up automated grade/step progression, and allocate salary budgets. You can also learn about setting up earnings and deductions for payroll processing, managing leave and absences, and reporting on compensation across your enterprise.

*Oracle Human Resources Management Systems Configuring, Reporting, and System Administration Guide*

Learn about extending and configuring Oracle HRMS, managing security, auditing, information access, and letter generation.

*Oracle Human Resources Management Systems Implementation Guide*

Learn about the setup procedures you need to carry out in order to implement Oracle HRMS successfully in your enterprise.

*Oracle Human Resources Management Systems FastFormula User Guide*

Learn about the different uses of Oracle FastFormula, and understand the rules and techniques you should employ when defining and amending formulas for use with Oracle applications.

*Oracle Self-Service Human Resources Deploy Self-Service Capability Guide*

Set up and use self-service human resources (SSHR) functions for managers, HR Professionals, and employees.

*Oracle Performance Management Implementation and User Guide*

Learn how to set up and use performance management functions. This includes setting objectives, defining performance management plans, managing appraisals, and administering questionnaires.

*Oracle Succession Planning Implementation and User Guide*

Learn how to set up and use Succession Planning functions. This includes identifying succession-planning requirements, using talent profile, suitability analyzer, and performance matrices.

*Oracle Human Resources Management Systems Deploy Strategic Reporting (HRMSi)*

Implement and administer Oracle Human Resources Management Systems Intelligence (HRMSi) in your environment.

*Oracle Human Resources Management Systems Strategic Reporting (HRMSi) User Guide*

Learn about the workforce intelligence Discoverer workbooks.

*Oracle Human Resources Management Systems Approvals Management Implementation Guide*

Use Oracle Approvals Management (AME) to define the approval rules that determine the approval processes for Oracle applications.

*Oracle Human Resources Management Systems Window Navigation and Reports Guide*

This guide lists the default navigation paths for all windows and the default reports and processes as they are supplied in Oracle HRMS.

*Oracle iRecruitment Implementation and User Guide*

Set up and use Oracle iRecruitment to manage all of your enterprise's recruitment needs.

*Oracle Learning Management User Guide*

Use Oracle Learning Management to accomplish your online and offline learning goals.

*Oracle Learning Management Implementation Guide*

Implement Oracle Learning Management to accommodate your specific business practices.

*Oracle Time and Labor Implementation and User Guide*

Learn how to capture work patterns, such as shift hours, so that this information can be used by other applications, such as General Ledger.

*Oracle Labor Distribution User Guide*

Learn how to maintain employee labor distribution schedules, distribute pay amounts, encumber (commit) labor expenses, distribute labor costs, adjust posted labor distribution, route distribution adjustment for approval, and manage error recovery processes. You also learn how to set up effort reporting for Office of Management and Budget (OMB) compliance.

### **Other Implementation Documentation**

*Oracle E-Business Suite Maintenance Guide*

This guide contains information about the strategies, tasks, and troubleshooting activities that can be used to help ensure an Oracle E-Business Suite system keeps running smoothly, together with a comprehensive description of the relevant tools and utilities. It also describes how to patch a system, with recommendations for optimizing typical patching operations and reducing downtime.

*Oracle E-Business Suite Security Guide*

This guide contains information on a comprehensive range of security-related topics, including access control, user management, function security, data security, and

auditing. It also describes how Oracle E-Business Suite can be integrated into a single sign-on environment.

#### *Oracle E-Business Suite Setup Guide*

This guide contains information on system configuration tasks that are carried out either after installation or whenever there is a significant change to the system. The activities described include defining concurrent programs and managers, enabling Oracle Applications Manager features, and setting up printers and online help.

#### *Oracle E-Business Suite Flexfields Guide*

This guide provides flexfields planning, setup, and reference information for the Oracle E-Business Suite implementation team, as well as for users responsible for the ongoing maintenance of Oracle E-Business Suite product data. This guide also provides information on creating custom reports on flexfields data.

#### *Oracle eTechnical Reference Manuals*

Each eTechnical Reference Manual (eTRM) contains database diagrams and a detailed description of database tables, forms, reports, and programs for a specific Oracle Applications product. This information helps you convert data from your existing applications, integrate Oracle Applications data with non-Oracle applications, and write custom reports for Oracle Applications products. Oracle eTRM is available on My Oracle Support.

## **Integration Repository**

The Oracle Integration Repository is a compilation of information about the service endpoints exposed by the Oracle E-Business Suite of applications. It provides a complete catalog of Oracle E-Business Suite's business service interfaces. The tool lets users easily discover and deploy the appropriate business service interface for integration with any system, application, or business partner.

The Oracle Integration Repository is shipped as part of the Oracle E-Business Suite. As your instance is patched, the repository is automatically updated with content appropriate for the precise revisions of interfaces in your environment.

## **Do Not Use Database Tools to Modify Oracle E-Business Suite Data**

Oracle **STRONGLY RECOMMENDS** that you never use SQL\*Plus, Oracle Data Browser, database triggers, or any other tool to modify Oracle E-Business Suite data unless otherwise instructed.

Oracle provides powerful tools you can use to create, store, change, retrieve, and maintain information in an Oracle database. But if you use Oracle tools such as SQL\*Plus to modify Oracle E-Business Suite data, you risk destroying the integrity of your data and you lose the ability to audit changes to your data.

Because Oracle E-Business Suite tables are interrelated, any change you make using an Oracle E-Business Suite form can update many tables at once. But when you modify

Oracle E-Business Suite data using anything other than Oracle E-Business Suite, you may change a row in one table without making corresponding changes in related tables. If your tables get out of synchronization with each other, you risk retrieving erroneous information and you risk unpredictable results throughout Oracle E-Business Suite.

When you use Oracle E-Business Suite to modify your data, Oracle E-Business Suite automatically checks that your changes are valid. Oracle E-Business Suite also keeps track of who changes information. If you enter information into database tables using database tools, you may store invalid information. You also lose the ability to track who has changed your information because SQL\*Plus and other database tools do not keep a record of changes.



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## Organization Structures

### Organization Structures Overview

Oracle HRMS provides you with organization management functionality to represent the operating structures of your enterprise.

### Representing Organization Structures Using Oracle HRMS

Using the Configuration Workbench for your implementation, you can configure the Oracle eBusiness Suite of applications to represent the management and operating structures of your enterprise.

The Configuration Workbench delivers an integrated configuration management toolset for HR systems and assists in the evaluation, configuration, deployment, and maintenance of HR applications. The workbench uses a configuration interview, to review the decisions and operational questions you make about setting up your enterprise using Oracle HRMS.

The Configuration Workbench configuration process suggests a combination of business groups and organizations to satisfy your integrated legal, financial, organization and employee management needs using Oracle HRMS. The suggested combination of business groups and organizations uses one of the following configuration models:

- A single operating company working within the legislative rules of a single country.
- A single operating company working within the legislative rules of multiple countries.
- Multiple operating companies working within the legislative rules of a single country.
- Multiple operating companies working within the legislative rules of multiple

countries.

These configuration models define the basic information model to represent any enterprise. You can add other location and internal work structures that represent your internal organization or reporting structures for specific legal, personnel, and financial management requirements.

## Managing your Work Structures Using Graphical Charting Capabilities

You can plan and implement new working structures ahead of time using graphical charts. The hierarchy diagrammer enables you to create organization and position hierarchies to reflect reporting lines and control access to information in your enterprise. See:

- Organization Hierarchies, *Oracle HRMS Enterprise and Workforce Management Guide*
- Position Hierarchies, *Oracle HRMS Enterprise and Workforce Management Guide*

The hierarchy diagrammers use the same security model as the other windows in Oracle HRMS and access to them is restricted by your responsibility.

## Reporting on Organization Structures

Oracle HRMS and Oracle HRMSi enable you to produce several reports to satisfy the statutory requirements for your legislation and meet your business analysis needs. For example:

- Oracle HRMS enables employers in the U.S. to generate reports to comply with the VETS government reporting requirements. The report lists the number of special disabled and Vietnam era veterans a U.S. enterprise employs in each of the nine job categories.
- Oracle HRMS provides you with a standard organization hierarchy report to view the relationships between organizations and their managers within a hierarchy.
- Oracle HRMSi offers the Organization Separation Report to investigate the performance of your best and worst organizations based on the workforce changes in an organization.

## Reporting Costs for Your Organization Structures

With the Oracle eBusiness suite of applications, you can automatically create HR organizations to corresponding company cost center combinations that exist in your GL account combinations.

## Key Concepts

To effectively use Oracle HRMS for organization management, see:

Key Concepts for Representing Enterprises, page 1-6

Organization Classifications, page 1-13

Extending the Enterprise Framework, *Oracle HRMS Enterprise and Workforce Management Guide*

Configuration Models for Your Enterprise Framework, page 1-8

Locations, page 1-41

Organization Hierarchies, *Oracle HRMS Enterprise and Workforce Management Guide*

Defaults for the Business Group, *Oracle HRMS Enterprise and Workforce Management Guide*

Internal Organizations and Cost Centers, *Oracle HRMS Enterprise and Workforce Management Guide*

## Organization Structures

Oracle HRMS can represent all the components of your enterprise. You can record the physical locations where your employees work and all the different departments and sections that make up your enterprise. You can even record information about other organizations you work with, such as recruitment agencies or tax authorities.

See: Extending the Enterprise Framework, *Oracle HRMS Enterprise and Workforce Management Guide*

You can view and edit hierarchy diagrams for organizations and positions using:

- The Organization Hierarchy Diagrammer
- The Position Hierarchy Diagrammer

## How do you represent your enterprise as an employer?

You can use the GRE/Legal Entity and Employer organization classifications to represent the employer in each country you do business. If you use the Configuration Workbench to set up your organization structures, then an employer organization is set up in each country your enterprise operates.

## In US and Canada, how do you manage government reporting?

Oracle HRMS enables you to set up one or more Government Reporting Entities (GREs) within each of your Business Groups. GREs represent an employer the government recognizes as being responsible for paying employees and for filing a variety of reports

that government agencies require. If your enterprise has a single Employer Identification Number from the Internal Revenue Service, your Business Group and GRE are the same organization.

For Canada, you also need to set up Provincial Reporting Establishments (PREs). GREs and PREs represent an employer the governments recognise as being responsible for paying employees and for filing a variety of reports. There must be a GRE for each Business Number that the Canada Revenue Agency (CRA) assigns to an employer. There must be a PRE for each Quebec Identification Number that the Ministère du Revenu assigns to an employer. If your enterprise has a single Business Number from the CRA and a single Quebec Identification Number, your Business Group, GRE and PRE are the same organization.

## **How do you represent the structure of an enterprise?**

Oracle HRMS enables you to build a model of your enterprise showing all the reporting lines and other hierarchical relationships. You can set up reporting hierarchies reflecting all the reporting lines in your enterprise, as established in organization charts.

The Configuration Workbench creates an enterprise structure that suits your operational (management and reporting), and geographical requirements. You can use the enterprise structure the workbench sets up as the basic infrastructure of your company. Once the basic structure is set up, you can define further locations and organizations and add them to your organization hierarchy.

## **Do I need to run a separate program to create hierarchy diagrams?**

No. The hierarchy diagrammers are standard Oracle HRMS windows, with the addition of a graphical area. They work together with the Organization Hierarchy window and Position Hierarchy window so you can create basic hierarchies using these windows and then make intuitive drag-and-drop changes using the diagrammers.

Any changes made using the hierarchy diagrammers are reflected in the hierarchy windows, and are saved in your database.

## **Can I create multiple versions of a hierarchy, and model different business scenarios?**

Yes. You can use the diagrammers together with the organization and position hierarchy windows to:

- Create new versions of existing hierarchies
- Create copies of existing hierarchies
- Create future-dated hierarchies to prepare for reorganizations in advance

**Can I print the graphical versions of the hierarchies?**

Yes. You can print pictorial representations of organization and position hierarchies.

**Can I create hierarchies that contain organizations from multiple business groups?**

Yes. If you have the appropriate security access to more than one business group, you can include organizations from more than one business group in your hierarchy.

# Organizations

## Key Concepts for Representing Enterprises

You represent your enterprise using key organization structures in Oracle HRMS. These structures provide the framework so you can perform legal reporting, financial control, and management reporting. You can set up these organization structures yourself, or use the Configuration Workbench.

The Configuration Workbench delivers an integrated configuration management toolset for HR systems and assists in the evaluation, configuration, deployment, and maintenance of HR applications. The workbench suggests a basic structure of organizations for your enterprise based on configuration models.

See: Configuration Models for Your Enterprise Framework, page 1-8

Once the basic enterprise structure is set up, you add the additional organizations and locations that exist in your enterprise. You define the internal organizations that represent your internal divisions and departments, and you define the external organizations that represent the organizations outside of your enterprise. For example, you can set up an external organization to represent the tax office for which your enterprise uses for reporting purposes.

You can use organizations to represent many levels of your enterprise, from the highest level of organization that represents the whole enterprise, to the lowest level of organization that represents a section or department.

See: Extending the Enterprise Framework, *Oracle HRMS Enterprise and Workforce Management Guide*

See: Organization Classifications, page 1-13

See: Setting Up Organizations, *Oracle HRMS Enterprise and Workforce Management Guide*

## Business Group

The business group represents a country in which your enterprise operates. You create it as an organization in Oracle HRMS, but it does not represent a specific organization within your enterprise structure, and you do not include it in your organization hierarchies. A business group enables you to group and manage data in accordance with the rules and reporting requirements of each country, and to control access to data.

The critical factors for deciding when to use a separate business group, or an international business group, are based on the following factors:

- If you use Oracle Payroll
- The number of people you employ in a country

- If you require legislative support for Oracle HR

Generally the laws are so different in each country that to be compliant, there must be a different business group for each country in which an enterprise has employees.

## **Operating Company**

An operating company represents a division or line of business within your enterprise that is legally registered for reporting in at least one country. An operating company is a holding company, a company within a company.

## **Ultimate Legal Entity**

The ultimate legal entity represents the enterprise, and typically, the enterprise is the highest (global) level of a business organization. The ultimate legal entity is the parent company or organization for all its subsidiaries and divisions. Oracle HRMS represents the ultimate legal entity with the GRE/Legal Entity organization classification.

## **Legal Entity/Employer**

A legal entity represents the designated legal employer for all employment-related activities. The legal authorities in a country recognize this organization as a separate employer. In an organization hierarchy, a legal entity may report to an operating company or to the ultimate legal entity.

A legal employer is a legal entity that is responsible for employing people in a particular country. Therefore, if you employ people in a country, then you must have at least one organization classified as a legal entity and a legal employer.

The Configuration Workbench classifies an organization as a GRE/Legal Entity where your enterprise operates in a country, and classifies it as an Employer if you employ people in that country also. For example, you can have a legal entity in a country where you do business, but do not employ people in that country.

## **Consolidated Legal Entity**

A consolidated legal entity acts on behalf of multiple operating companies that are not legally registered, or simply on behalf of the enterprise in a country. You typically use the consolidated legal entity for when you have multiple operating companies in your enterprise, but for the purposes of consolidation, you group the information into one organization. For management reporting purposes, the organizations below the consolidated legal entity in an organization hierarchy, such as, your departments and sections, can report to any organization in the enterprise. However, for legal reporting purposes, they report up to the consolidated legal entity.

For information on how to model your enterprise using the key organization structures, see: Configuration Models for Your Enterprise Framework, page 1-8

## Configuration Models for Your Enterprise Framework

The first step in any configuration is to decide what organization structures your enterprise requires. To help you decide, you can use the following best practice configuration models:

- Model 1: A single operating company in one country
- Model 2: A single operating company in multiple countries
- Model 3: Multiple operating companies in one country
- Model 4: Multiple operating companies in multiple countries

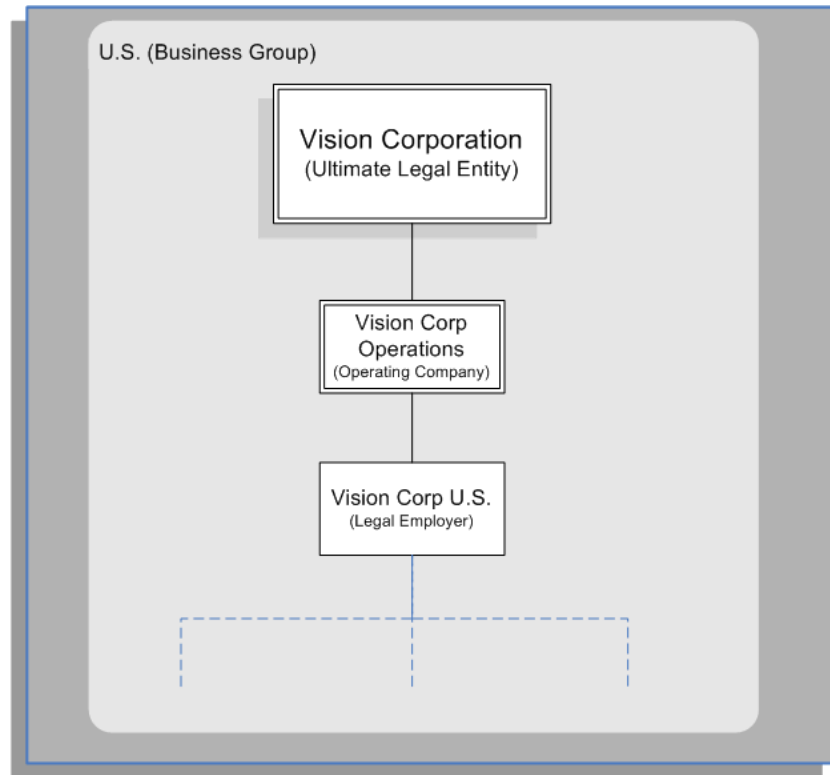
These models deal with integration points between the different applications and the requirements of different industries and geographies. They can help you choose the right organization structures to meet your management and reporting requirements.

The Configuration Workbench uses the models as templates to generate the organization framework of business groups, operating companies, legal entities, and employers for any enterprise. Through an interview process, the Configuration Workbench gathers the detailed information it requires to generate an actual configuration of your enterprise using the appropriate configuration model.

**Mexico only:** You cannot use the Configuration Workbench to create the hierarchy. You must use the Generic Hierarchy functionality.



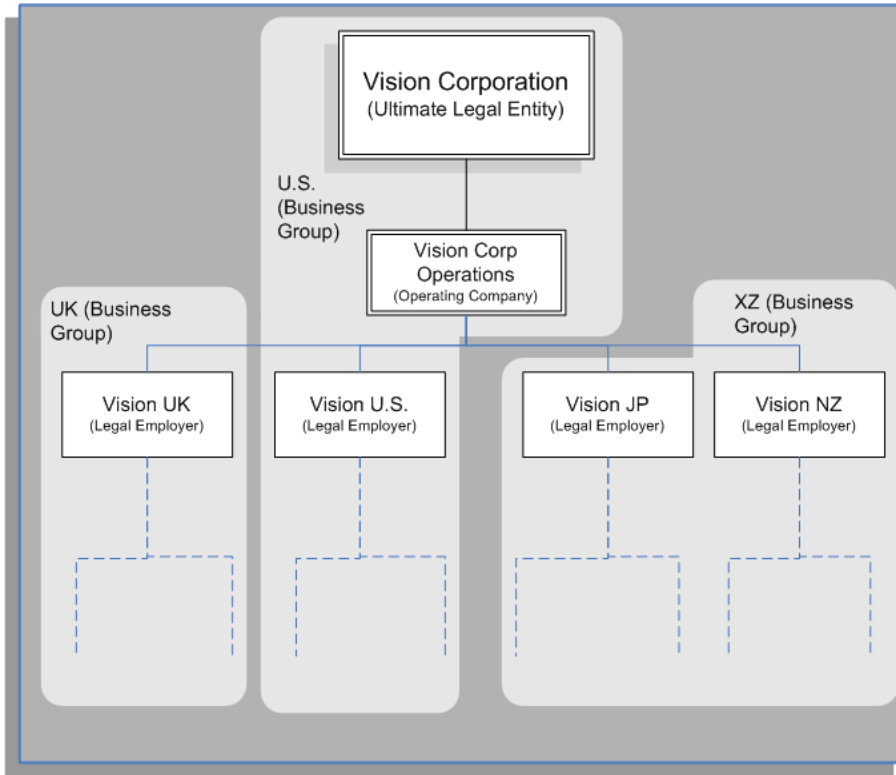
## Single Operating Company in One Country



The preceding diagram shows the basic configuration for a small or medium sized enterprise with little or no complexity in operating structures. Vision Corporation is the ultimate legal entity, and for reporting purposes, this organization holds any data associated with the enterprise. Every enterprise has one ultimate legal entity.

This simple enterprise structure is based on the best practice configuration model. Creating the key enterprise structures as separate organizations enables your enterprise to expand and acquire new companies whilst reducing the cost of re-implementation.

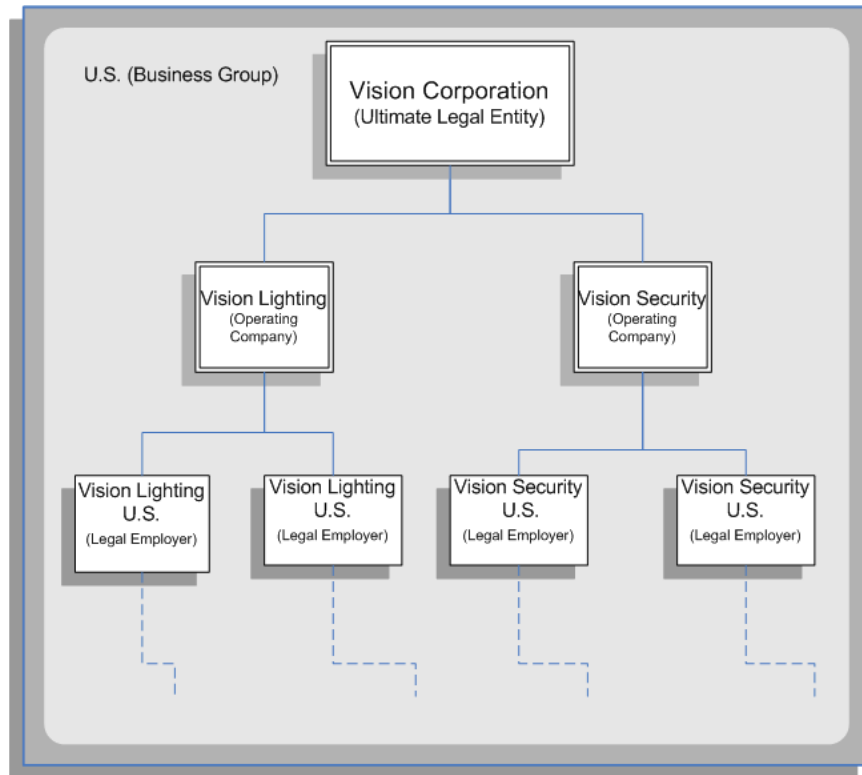
## Single Operating Company in Multiple Countries



The preceding diagram shows a configuration for a medium or large enterprise with some international operations introducing a degree of complexity. It also shows that operations and people in some countries are held within an international business group (XZ). You can see that the business groups represent countries, and do not appear in the organization hierarchy. This is based on the best practice configuration model.

For more information on the key organization structures, see: Key Concepts for Representing Enterprises, page 1-6

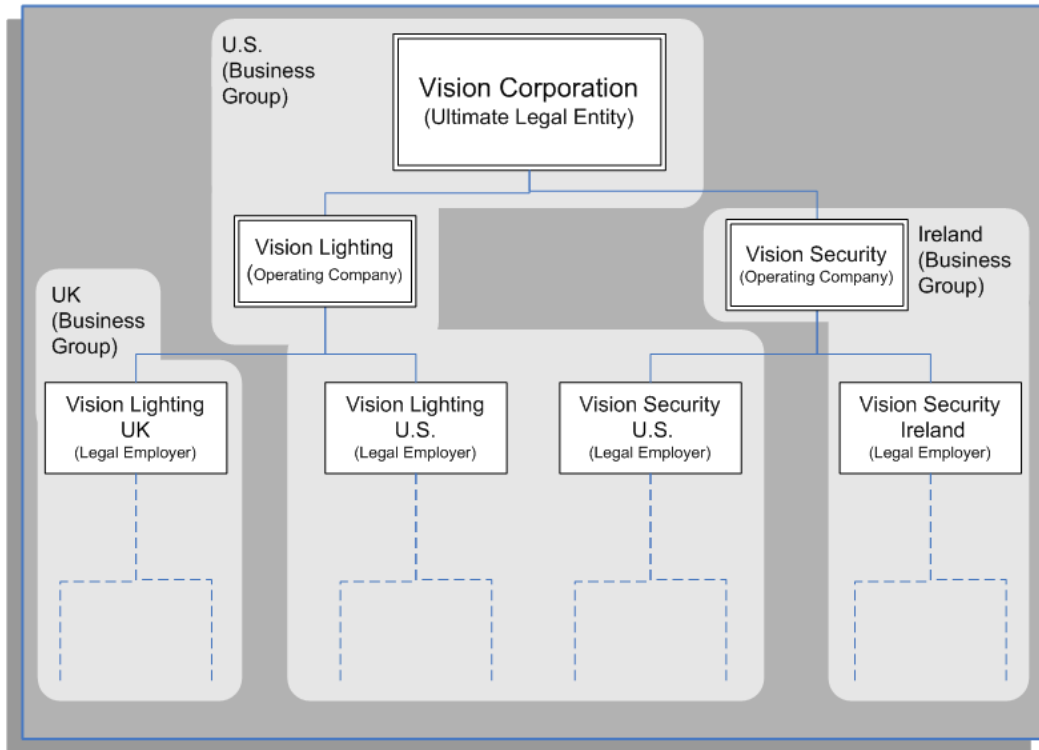
## Multiple Operating Companies in One Country



The preceding diagram shows a configuration for a multi-company enterprise operating in a single country. This type of complexity can exist in any size of enterprise. Vision Lighting and Vision Security in the diagram are represented as operating companies. Every enterprise has at least one operating company. This may be a division, or a subsidiary within the enterprise which is legally registered in at least one country.

The Configuration Workbench creates at least one operating company organization as best practice. This reduces the cost of any re-implementation as a result of expansion due to acquisition or diversification within the enterprise.

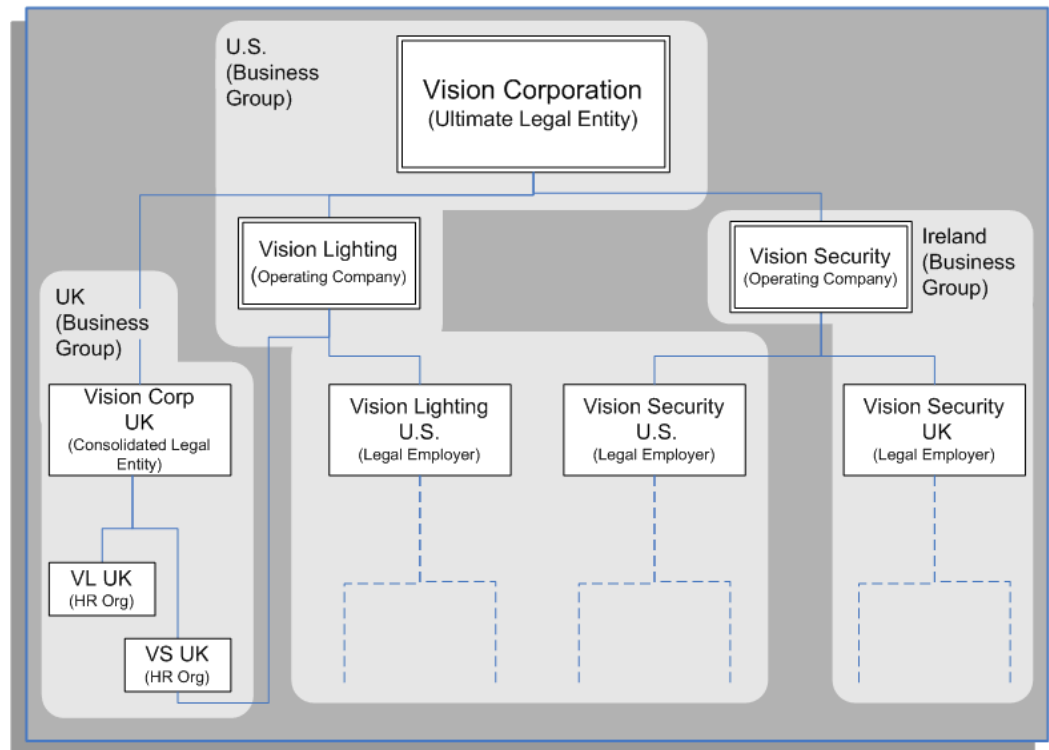
## Multiple Operating Companies in Multiple Countries



The preceding diagram demonstrates a multi-company enterprise operating in multiple countries. Every enterprise has at least one legal entity that is the designated legal employer for all employment related activities. In the diagram, the Vision Security operating company operates and employs people in the U.S. and Ireland. The Vision Security U.S. and the Vision Security Ireland organizations represent the designated legal entities/employers in those countries.

The Configuration Workbench classifies an organization as a GRE/Legal Entity where your enterprise operates in a country, and classifies it as an Employer if you employ people in that country also. For example, you can have a legal entity in a country where you do business, but do not employ people in that country.

## Multiple Operating Companies in Multiple Countries with a Consolidated Legal Entity



The preceding diagram shows an alternative configuration for a multi-national and multi-company enterprise with the addition of a consolidated legal entity. A consolidated legal entity acts on behalf of several operating companies or the enterprise, and is the legal employer in the country. Using the preceding diagram as an example, Vision Corp UK is the consolidated legal entity for Vision Corporation in the UK. For management reporting, VL UK and VS UK report to Vision Lighting, and for legal reporting, they report to Vision Corp UK.

For more information on the key organization structures, see: Key Concepts for Representing Enterprises, page 1-6

## Organization Classifications

Organization classifications define the purpose of an organization and its functionality within Oracle HRMS. The classifications you assign to an organization control the additional information you can set up at the organization level. The Configuration Workbench automatically assigns the appropriate classifications to the organizations it creates.

For more information on the key organization structures you use to represent your enterprise, see: Key Concepts for Representing Enterprises, page 1-6

You can define one organization with multiple classifications or you can define separate organizations to represent different types of entity. For example, you can classify an organization as a legal entity as well as an HR organization if it's the same organization. If they are different, then you create two organizations.

**Note:** Oracle HRMS enables you to install your own additional information types for classifications.

You can select the following classifications in the Organization window, depending on your legislation:

## All Legislations

All legislations can use the following classifications:

- **Business Group:** Use this classification to group, manage, and control access to data in accordance with the rules and reporting requirements of a country.
- **Operating Company:** An operating company represents a division or line of business within your enterprise that is legally registered for reporting in at least one country.
- **GRE/Legal Entity:** Use this classification to represent the following organizations:
  - **Ultimate Legal Entity:** this represents the enterprise, and typically, the enterprise is the highest (global) level of a business organization.
  - **Legal Entity:** this represents the designated legal employer for all employment-related activities. The legal authorities in a country recognize this organization as a separate employer. In an organization hierarchy, a legal entity may report to an operating company or to the ultimate legal entity.
  - **Consolidated Legal Entity:** this organization acts on behalf of multiple operating companies that are not legally registered, or simply on behalf of the enterprise in a country.

**For Chinese users only:** Your organization hierarchy must contain at least one GRE with corporate and employer information. Statutory reporting requires this information.

- **Employer:** Use this along with the GRE/Legal Entity classification to define an organization as a legal entity that is responsible for employing people in a particular country.

**For Indian users only:** Your organization hierarchy must contain at least one GRE with income tax, challan bank, tax declaration and representative details. This information is used for statutory reporting.

- **HR Organization:** Use this classification for all organizations to which you want to assign employees and contingent workers.
- **Payee Organization:** Use this when defining an external organization that is the recipient of a third party payment from an employee, for example a court-ordered payment. You can then select this organization on the Personal Payment Method window when entering a third party payment method.
- **Bargaining Association:** Use this when defining an organization that is involved in negotiating a collective agreement. A bargaining association could be any organization representing the employees in negotiations, for example a trade union. The UK legislation also enables you to select a bargaining association in the Union Processing window to set up a union element.
- **Representative Body:** Use this when defining a representative body. This may be a body defined in legislation, such as a European Works Council, or may be defined by the employer, such as a Sports and Social Club.
- **Disability Organization:** Use this when defining an external organization with which employee disabilities are registered.
- **Medical Service Provider:** Use this when defining an organization that provides any medical services, such as medical assessments, to the people in your enterprise.
- **Constituency:** Use this to define a constituency to group together workers eligible to vote for particular elections.
- **Company Cost Center:** Use this to define organizations in Oracle HRMS that map to cost centers in Oracle GL. You can set up your application so that whenever a cost center is defined in GL, a corresponding organization with this classification is defined automatically.
- **Professional Body Information:** Use this to define an organization that is a professional body. Organizations with this classification are available to assign to people in the Qualifications window.
- **Operating Unit :** Use the operating unit organization classification if you also use Multi-Org applications. You can associate an operating unit with an HR Organization. The application uses the HR Organization to find the operating unit to which a person belongs.

## US Legislation

The US legislation can use the following classifications:

- **Reporting Establishment, Corporate Headquarters, or AAP Organization:** Use these when defining reporting organizations, that is, organizations required for the

production of certain reports for government agencies.

- **Parent Entity:** Use this when defining an organization to be included at the top level of an establishment hierarchy. You can then use the hierarchy when producing certain reports for government agencies.

If you are assigning this classification to a Business Group, you must assign it to your default Business Group, that is the one defined in your security profile. If you do not, then your data will not be visible when you attempt to create your hierarchy in the Generic Hierarchy window.

- **Benefits Carrier, Workers' Compensation Carrier, or Beneficiary Organization:** Use these when defining an external organization belonging in one of these classifications. You can then select the organization when defining a benefit, entering information for Workers' Compensation calculations, or recording beneficiaries employees have named for certain benefits.

The Federal legislation can also use the **Beneficiary Organization** classification.

## UK Legislation

The UK legislation can use the **Education Authority** classification to define a Local Education Authority (LEA) that is responsible for education within that council's jurisdiction.

## Canadian Legislation

The Canadian legislation can use the following classifications:

- **Provincial Medical Carrier:** Use this to define a medical carrier for a province.
- **Provincial Reporting Establishment:** Use this to represent employees in the province of Quebec.

## French Legislation

The French legislation can use the following classifications:

- **Company:** records one or more companies in your business group. A company is a legal entity registered to "Registre du Commerce et des Societes". You must have at least one company.
- **Establishment:** identifies the organization that serves as the legal point of contact for settling any disputes and manages the personal details of the workforce.

**Note:** Do not classify an organization as both a company and an



establishment; create two separate organizations.

- **URSSAF Center** or **ASSEDIC Center**: specifies an external organization that is a Social Security organization. You can select the organization when entering additional organization information for an establishment. You can also select URSSAF organizations when entering additional organization information for a company.
- **Insurance Provider** or **Pension Provider**: defines an external organization that provides insurance or pensions. You can select the organization when entering additional organization information for a company or an establishment.
- **OPACIF** or **OPCA**: specifies an external organization that collects the company's yearly training contribution.
- **CPAM**: identifies an external organization as a CPAM office. You can select the organization when entering employment information in the People window.
- **Public Sector Other External Organization**: records details of the various types of external organizations with whom public-sector companies deal. Be sure to create organizations with this classification as external organizations.
- **Grouping of Employers**: identifies the employers (normally establishments) who have decided to group together to make it easier to lend each other workforce and also to list the employees, contingent workers, and employees on loan for an establishment from that grouping in the Personnel Registry report.
- **Tax Group**: defines an external tax office.

## Dutch Legislation

The Dutch legislation can use the following classifications:

- **Dutch UWV Organization**: Use this to indicate if your organization is a social insurance provider. If you enable this classification, you can enter additional information such as the type of provider in the Dutch UWV Organization window.
- **Dutch Tax Office**: Use this to define an external tax office.
- **Dutch Private Health Insurance**: Use this to define an external organization that provides private health insurance.
- **Pension Provider**: Use this to define an external organization that provides pensions to your employees.

## German Legislation

The German legislation can use the following classifications:

- **Budget Plan Unit:** Use this to define internal organizations for which you can use for the budget plan structure. The budget plan structure defines the different levels of positions in your enterprise, and the budget plan units represent the different levels as organizations. You select which budget plan unit the position belongs to in the Position window.
- **German Additional Second Pension Insurance:** Use this to record information about the contributions an organization makes to a second pension.
- **German Capitalized Life Insurance Provider:** Use this to indicate if your organization is a provider of German capitalized life insurance.
- **German Mandatory Health/Special Care Insurance Provider:** Use this to indicate if your organization is a provider of German mandatory health or special care insurance. If you enable this classification, you can enter additional information using the German Social Insurance Providers window.
- **German Mandatory Pension Insurance Provider:** Use this to indicate if your organization is a provider of German mandatory pension insurance. If you enable this classification, you can enter additional information using the German Social Insurance Providers window.
- **German Private Health/Special Care Insurance Provider:** Use this to indicate if your organization is a provider of German private health or special care insurance. If you enable this classification, you can enter additional information using the German Social Insurance Providers window.
- **German Public Sector:** Use this to indicate if your organization is a public sector organization. If you set this to yes then certain public sector specific windows and fields are made available to you.
- **German Tax Office:** Use this to indicate if your organization is a tax office. If you set this to yes then you can enter additional tax office information using the Others button.
- **German Unemployment Insurance Provider:** Use this to indicate if your organization is a provider of German unemployment insurance. If you enable this classification, you can enter additional information using the German Social Insurance Providers window.
- **German Voluntary Pension Provider:** Use this to indicator if your organization is a provider of German voluntary pensions.

- **German Work Incident Supervising Office:** Use this to indicate if your organization is a work incident supervising office.
- **German Workers' Liability Insurance Providers:** Use this to indicate if your organization is a provider of German workers' liability insurance.

## Hong Kong Legislation

The Hong Kong legislation can use the **MPF Trustee Organization** classification to set up and enrol employees in an MPF Trustee. This classification allows you to record details of the trustee and details of the scheme provided by the trustee.

## Mexico Legislation

The Mexico legislation must use the **legal employer** classification to define the legal entity. You can add additional organization information for your legal employer, if needed.

Use the **GRE/Legal Entity** classification to define an organization that is recognized as a separate employer by Social Security or other legal authorities. When you assign a location to a GRE, and you have not already associated them with each other in the generic hierarchy, HRMS will make the association for you.

## Saudi Legislation

The Saudi legislation can use the following classifications:

- **Saudi GOSI Office:** Use this to represent the General Office of Social Insurance (GOSI) which the employer is registered. The GOSI office requires employers to make deductions for eligible employees and send all payments and reports to this office.
- **Saudi Employment Office:** Use this to represent an office to which the employer reports the status of its disabled employees.

## Hungary Legislation

The Hungary legislation can use the following classifications:

- **Draft Agency:** Use this to represent an external defense organization to which you send employee military service details.
- **Company Information:** Use this to represent the organization which is legally entitled to hire employees.
- **Pension Provider:** Use this to indicate an external organization that provides pensions to your employees.

## Spanish Legislation

The Spanish legislation can use the following classifications:

- **Work Center:** Use this to define an internal organization that represents a facility within your enterprise. You use these organizations for statutory reporting purposes.
- **Section:** Use this to define an internal organization that represents the place where people work. You use these organizations for internal reporting purposes only.
- **Tax Office:** Use this to indicate if the organization is an external tax office.
- **Tax Administration Office:** Use this to indicate if the organization is an external tax administration office.
- **Social Security Office:** Use this to define a social security office as an external organization. If you enable this classification, you can record the social security office details.
- **Social Security Province Office:** Use this to define an organization as an external social security office. If you enable this classification, you can enter the social security province office details.
- **Health Care Organization:** Use this to define an organization as an external health care organization. If you enable this classification, you can enter the insurance company details.

## Korea Legislation

The Korean legislation can use the following classification:

- **Business Place:** Use this classification to define an organization as an employer to which you assign employees. You set up information such as the registration number, representative information, and the health insurance number for the National Tax Service (NTS).

## Indian Legislation

Your organization hierarchy should contain at least one GRE/Legal Entity (Tax Organization) and Registered Company.

The Indian legislation can use the following classifications:

- **Registered Company:** Records your company's Legal Name, Registration Number, Corporate Identity Number, Permanent Account Number (PAN) of the company and company's representative details.

- **Factory:** Records your factory's Registration Number, License Number, National Industrial Code, Production Commencement Date and factory's representative details.
- **Shops/Establishment:** Records your shops/establishment's registration number and representative details.
- **Contractor Details:** Records a contractor's details, work details, and representative details. A contractor supplies contingent workers to an enterprise and can be either an individual or an external organization.
- **ESI Organization:** Use this to define an external organization that provides Employee State Insurance (ESI) to your employees. Records your Employee State Insurance (ESI) organization's Challan Information, General Information and Representative Details. You can have multiple ESI organizations and select an employee's ESI organization in the Assignment window.
- **Provident Fund Organization:** Records your PF organization's PF challan information, PF information, and PF representative details. You can have multiple PF organizations and select an employee's PF organization in the Assignment window.
- **Professional Tax Organization:** Records your Professional Tax organization's information, Professional Tax Challan information, and Representative Details information. You can have multiple professional tax organizations and select an employee's professional tax organization in the Assignment window.
- **Income Tax Office:** Records your income tax organization's information. You can enter the location details of the income tax office. You can select the income tax organization in the GRE/Legal Entity: Income Tax Details window.
- **National Pension Scheme:** Records the National Pension office information. You can enter the corporate registration account number and the corporate branch account number in the NPS Account Set Up window.

## Polish Legislation

The Polish legislation can use the following classifications:

- **PL SII Branch:** Use this classification to represent a local branch of the Social Insurance Institute (SII), a public organization that deals with the social insurance benefits, such as sickness allowance, maternity allowance, and rehabilitation benefits. You use the SII branch information for social insurance reporting.
- **PL Statistic Office:** Use this to represent a local statistic office. You use this information in reports sent to the statistic office.

- **PL Tax Office:** Use this to define the tax office bank accounts for the employer and for the tax collected from the employees. You use this information in statutory reports.

## Norwegian Legislation

The Norwegian legislation can use the following classifications:

- **Local Unit:** Use this classification to identify and report on the different work centers, within your enterprise, to which you assign employees.
- **Payee Organization:** Use this classification to define an external organization which receives third party payment from an employee
- **Social Security Office:** Use this to define external social security office organizations.
- **Pension Provider:** Use this classification to define an external organization that provides pensions to your employees.
- **Statement Provider:** Use this classification to define an external organization that provides reports on behalf of the legal employer.
- **Tax Office:** Use this classification to define an external tax organization.

## Finnish Legislation

The Finnish legislation can use the following classifications:

- **Local Unit:** Use this classification to identify and report on the different work centers, within your enterprise, to which you assign employees.
- **External Company:** Use this to record details of the various types of external organizations with whom your organization deals. Ensure to create organizations with this classification as external organizations.
- **Pension Provider:** Use this to record the basic information about pension insurance providers to which you transfer the appropriate pension insurance deductions.
- **Accident Insurance Provider:** Use this to identify organizations that provide accident insurance coverage, group life insurance, and unemployment insurance.
- **Finnish Magistrate Office:** Use this for identifying the authority responsible for processing the employee court orders.
- **Finnish Trade Union:** Use this to record the basic information about the employees' trade unions to process employee deductions.

- **Provincial Tax Office:** Use this to identify the legal employer's tax office.

## Danish Legislation

The Danish legislation can use the following classifications:

- **Service Provider:** Use this classification to record details of the various types of external service providers with whom your organization deals.
- **Pension Provider:** Use this classification to define external pension providers.

## Swedish Legislation

The Swedish legislation can use the following classifications:

- **Local Unit:** Use this classification to identify and report on the different work centers, within your enterprise, to which you assign employees.
- **Social Security Office:** Use this to define external social security office organizations with which you coordinate medical reimbursements for the employees.
- **Swedish Enforcement Office:** Use this to define external enforcement office organizations with which you coordinate the attachment of earnings deductions for the employees.

## South African Legislation

The South African legislation can use the following classification:

- **Training Provider:** Use this to indicate if an organization is a training provider.

## UAE Legislation

The UAE legislation can use the **Legal Employer** classification to define and enter additional organization information for your legal employer.

## Irish Legislation

The Irish legislation can use the following classifications:

- **Legal Employer:** Use this classification to define and enter additional organization information for your legal employer.
- **Pension Provider:** Use this classification to define external pension provider.

## Creating an Organization

Use the Organization window to create:

- Business groups
- External organizations (for example, tax offices, pension providers, insurance carriers, disability organizations, benefit carriers, or recruitment agencies)
- Internal organizations (for example, departments, sections or cost centers)
- GREs/Legal Entities

If you use the Configuration Workbench to configure your enterprise structure, then you only need to create the additional internal and external organizations you require. For example, you can set up additional organizations to represent the internal divisions or departments, and external organizations for reporting or third party payments.

See: Extending the Enterprise Framework, *Oracle HRMS Enterprise and Workforce Management Guide*

### To create an organization:

1. Navigate to the Organization window and click New to create a new organization.

**Note:** For information about querying existing organizations, see: Finding an Organization, *Oracle HRMS Enterprise and Workforce Management Guide*

2. Enter a name for your organization in the Name field. A check is performed to see if organizations with the same name already exist.

All Oracle applications you install share the information entered in the Organization window. Therefore organization names must be unique within a business group, and business group names must be unique across your applications network.

You can create two organizations with the same name in different business groups but this can cause confusion later, if the HR: Cross business group profile option is set to Yes and you decide to share certain information across all business groups. If you decide to create two organizations with the same name, be sure that this will not cause you problems in the future.

3. Optionally, select an organization type in the Type field.

Organization types do not classify your organization, you use them for reporting purposes only. The type may identify the function an organization performs, such as Administration or Service, or the level of each organization in your enterprise,



such as Division, Department or Cost Center. You create the organization types you require by entering values for the Lookup Type ORG\_TYPE.

4. Enter a start date in the From field. This should be early enough to include any historical information you need to enter.

**Note:** You cannot assign an employee to an organization before the start date of the organization.

5. Enter a location, if one exists. You can also enter an internal address to add more details such as floor or office number.

**Dutch only:** If you are setting up external organizations for a tax office, a social insurance provider or a private health insurance provider, you must enter the postal address and contact details using the NL\_POSTAL\_ADDRESS Location EIT.

**Mexico only:** When defining a GRE/Legal Entity, if you select a location here, HRMS automatically associates it with this GRE in the Generic Hierarchy.

**US only:** If you are using Oracle Payroll in the US, every organization to which employees can have assignments, including business groups, must have on record a location with a complete address. This is because the system uses the location of the organization of the employee's primary assignment to determine employee work locations for tax purposes. This does not apply to GREs, because the assignment to a GRE exists in addition to the assignment to an organization.

**India only:** You can define an income tax organization and enter its location details. You can then select this organization at the GRE/Legal Entity Income Tax Office.

**Note:** If you are an Oracle Inventory user, then you must not assign a location to more than one organization classified as an Inventory Organization.

6. Enter internal or external in the Internal or External field. You cannot assign people to an external organization.

Examples of external organizations that may require entry are disability organizations, benefits carriers, insurance carriers, organizations that employees name as beneficiaries of certain employee benefits, and organizations that are recipients of third party payments from employees' pay.

7. Save the basic organization details.

## Entering Additional Information

For each classification you set up you can enter additional information. This information can be different for each classification.

For business group see: Business Group, page 1-26

For HR organization see: HR Organization, page 1-27

For GRE/Legal entity, see: GRE/Legal Entity, page 1-28

For representative body see: Representative Body, page 1-28

For constituency see: Constituency, page 1-29

For bargaining association see: Bargaining Association, page 1-29

For company cost center see: Company Cost Center, page 1-30

For professional body information see: Professional Body Information, page 1-30

For training provider information see Training Provider Information, page 1-30

See Classification and Additional Information Types, page 1-13 if you need to check which classification to select.

**To enter Business Group additional information:**

1. Click on the applicable organization classification.
2. Choose the Others button to open the Additional Organization Information window.
3. Select one of the following:
  - Business Group Information, see: Entering Business Group Information, *Oracle HRMS Enterprise and Workforce Management Guide*
  - Budget Value Defaults, see: Business Groups: Entering Budget Value Defaults, *Oracle HRMS Enterprise and Workforce Management Guide*
  - Work Day Information, see: Business Groups and HR Organizations: Work Day Defaults, *Oracle HRMS Enterprise and Workforce Management Guide*
  - Benefits Defaults, see: Business Groups: Defining a Default Monthly Payroll, *Oracle HRMS Enterprise and Workforce Management Guide*
  - PTO Balance Type, see Business Groups: Selecting a PTO Balance Type, *Oracle HRMS Enterprise and Workforce Management Guide*
  - Recruitment Information, see Business Groups: Entering Recruitment Information, *Oracle HRMS Enterprise and Workforce Management Guide*
  - ZA ACB Installation Inf, see Business Groups: Entering ACB Installation Information, page 1-30
  - ZA UIF File Creator Inf - is no longer applicable

- Payslip Balances, see Business Groups: Entering ZA Payslip Balances Information, page 1-31
  - Payslip Elements, see Business Groups: Entering ZA Payslip Elements Information, page 1-32
  - Statement of Earnings (SOE) Information, see: Business Groups: Entering SOE Information, *Oracle HRMS Enterprise and Workforce Management Guide*
  - Statement of Earnings (SOE) Detail Information, see: Business Groups: Entering SOE Detail Information, *Oracle HRMS Enterprise and Workforce Management Guide*
4. Repeat these steps to enter further information.

**To enter HR organization additional information:**

1. Click on the applicable organization classification.
2. Choose the Others button to open the Additional Organization Information window.
3. Select one of the following:
  - Reporting Information, see: Entering Reporting Information for an HR Organization or a Company Cost Center., *Oracle HRMS Enterprise and Workforce Management Guide*
  - Costing Information, see: HR Organizations: Entering Costing Information, *Oracle HRMS Enterprise and Workforce Management Guide*
  - Parent Organization, see: HR Organizations: Entering Parent Organizations, *Oracle HRMS Enterprise and Workforce Management Guide*
  - Work Day Information, see: Business Groups and HR Organizations: Entering Work Day Defaults, *Oracle HRMS Enterprise and Workforce Management Guide*
  - National Minimum Wage Information, see: HR Organizations: Entering National Minimum Wage Information, page 1-34
  - ZA ETI Details, see: HR Organization: Entering ETI Details, page 1-35
  - ZA NQF SETA Information: see HR Organizations: Entering NQF SETA Information, page 1-35
  - Related Organizations Information, see: Entering Related Organizations Information for an HR Organization, *Oracle HRMS Enterprise and Workforce*

4. Repeat these steps to enter further information.

**To enter GRE/Legal entity additional information:**

1. Click on the applicable organization classification
2. Choose the Others button to open the Additional Organization Information window.
3. Select ZA Additional Tax Information, see: GRE / Legal Entity: Entering Additional Tax Information, page 1-36
4. Select ZA Employment Equity Information, see: GRE / Legal Entity: Entering Employment Equity Information, page 1-37
5. Select ZA Legal Entity Information, see: GRE / Legal Entity: Entering Legal Entity Information, page 1-37
6. Select ZA SDF Information, see: GRE / Legal Entity: Entering SDF Information, page 1-38
7. Select ZA Tax File Information, see: GRE / Legal Entity: Entering Tax File Information, page 1-38
8. Select ZA Tax Information, see: Entering ZA Tax Information, page 1-39
9. Repeat these steps to enter further information.

**To enter representative body additional information:**

1. Click on the applicable organization classification.
2. Choose the Others button to open the Additional Organization Information window.
3. Select one of the following:
  - Representative Body Information, see: Entering Representative Body Information, *Oracle HRMS Enterprise and Workforce Management Guide*
  - Constituency information, see: Entering Constituency Information for a Representative Body, *Oracle HRMS Enterprise and Workforce Management Guide*
4. Repeat these steps to enter further information.

**To enter constituency additional information:**

1. Click on the applicable organization classification.
2. Choose the Others button to open the Additional Organization Information window.
3. Select one of the following:
  - Location, see *Entering Location Information for Constituencies, Oracle HRMS Enterprise and Workforce Management Guide*
  - Organization, see *Entering Organization Information for Constituencies, Oracle HRMS Enterprise and Workforce Management Guide*
  - Organization Hierarchy, see *Entering Organization Hierarchy information for Constituencies, Oracle HRMS Enterprise and Workforce Management Guide*
  - Grade, see *Entering Grade information for Constituencies, Oracle HRMS Enterprise and Workforce Management Guide*
  - Bargaining Unit, see *Entering Bargaining Unit information for Constituencies, Oracle HRMS Enterprise and Workforce Management Guide*
  - Job, see *Entering Job information for Constituencies, Oracle HRMS Enterprise and Workforce Management Guide*
  - Collective Agreement Grade, see *Entering Collective Agreement Grade information for Constituencies, Oracle HRMS Enterprise and Workforce Management Guide*
4. Repeat these steps to enter further information.

**To enter bargaining association information:**

1. Click on the applicable organization classification.
2. Choose the Others button to open the Additional Organization Information window.
3. Select Trade Union Information, see: *Entering Trade Union Information for a Bargaining Association, Oracle HRMS Enterprise and Workforce Management Guide*
4. Repeat these steps to enter further information.

**To enter company cost center information:**

1. Click on the applicable organization classification.
2. Choose the Others button to open the Additional Organization Information window.
3. Select one of the following:
  - GL Company Cost Center, see: *Entering GL Company Cost Center Information for a Company Cost Center, Oracle HRMS Enterprise and Workforce Management Guide*
  - Reporting Information, see: *Entering Reporting Information for an HR Organization or a Company Cost Center., Oracle HRMS Enterprise and Workforce Management Guide*
4. Repeat these steps to enter further information.

**To enter professional body information:**

1. Click on the applicable organization classification.
2. Choose the Others button to open the Additional Organization Information window.
3. Select Professional Body Info, see: *Entering Additional Information for a Professional Body, Oracle HRMS Enterprise and Workforce Management Guide.*
4. Repeat these steps to enter further information.

**To enter training provider information:**

1. Click on the applicable organization classification.
2. Choose the Others button to open the Additional Organization Information window.
3. Select Training Provider Inf, see: *Entering Information for a Training Provider, page 1-36*

## **Business Groups: Entering ACB Installation Information**

You must enter ACB details for an organization before you can run the ACB process and make ACB payments to your employees.

### To enter ACB installation information:

1. In the Organization window, query the business. In the Organization Classifications region, select Business Group, choose the Others button and select ZA ACB Installation Inf.
2. Click in the Additional Organization Information window to display the ZA ACB Installation Inf window.
3. Enter the organization's ACB information:
  - Enter the ACB Installation ID Code.

If the organization is registered as a Single/In-house user at ACB, this code is the same as the ACB User Code (Entered on the Statutory Information Flexfield on the Payroll Description window). Bureaus use a different code.

- Select the ACB user type. Single users submit their own ACB file directly. Select Bureau to indicate that a third-party will submit the ACB file on behalf of the employer.

**Note:** If you change the user type from Bureau to Single, the installation and user generation numbers are reset to 0001. If you change the user type from Single to Bureau, the installation and user generation numbers increment from the last generation number used. If you are selecting the ACB user type for the first time, these numbers start at 0001 and increment with each ACB file submission.

4. Save your work.

## Business Groups: Entering ZA Payslip Balances Information

Enter ZA payslip balances information to determine the balance information that you want to display in the "YTD Accumulations and Balances" section of the Self Service payslip.

### To enter ZA Payslip Balances information:

1. Query the business group. In the Organization Classifications region, select Business Group, choose the Others button and select ZA Payslip Balances.
2. Click in the Additional Organization Information window to display the ZA Payslip Balances window.
3. Select the Balance Name and Balance Dimension and enter a value for the Balance

Narrative. For example, select Overtime RFI as the Balance Name, `_ASG_TAX_YTD` as the Balance Dimension, and enter YTD Overtime as the Balance Narrative. The Balance Narrative is the name displayed in the Description column on the payslip.

**Note:** The order in which you define the balances determines the order in which they are displayed on the payslip.

4. Save your work.

## Business Groups: Entering ZA Payslip Element Information

You can enter ZA Payslip Element Information to determine the element and input values you want to display in the "Fringe Benefits and Additional Information" section of the Self Service payslip.

### To enter ZA Payslip Elements information:

1. Query the business group. In the Organization Classifications region, select Business Group, click Others, and select ZA Payslip Elements.
2. Click in the Additional Organization Information window to display the ZA Payslip Elements window.
3. Select the Element Name and Element Input Value and enter a value for the Element Narrative. For example, select ZA Sunday Overtime as the Element Name, Hours as the Element Input Value and Sunday Overtime Hours Paid as the Element Narrative. The Element Narrative is the name displayed in the Description column on the payslip.

**Note:** The order in which you define the elements determines the order in which they are displayed on the payslip.

4. Save your work.

## Business Groups: Entering SOE Information

You enter statement of earnings (SOE) information at the business group level to specify what information appears on each region of the statement of earnings. You can enter element set names for earnings, deductions, and any imputed earnings to ensure that the elements within these sets appear on the statement of earnings. You can also supply balance attributes for SOE display.



### **To enter SOE information:**

1. In the Organization window, query the business group. In the Organization Classifications region, select Business Group, click Others, and select SOE information
2. Click in a field of the Additional Organization Information window to open the SOE Information window.
3. Select the SOE user category. You use this information to restrict the type of users who can view the SOE.
4. Select the Earnings element set in the Elements 1 field. (The set name typically begins with a legislative identifier, and then incorporates SOE EARNINGS as the next part of the name).
5. Select the Deductions element set in the Elements 2 field. (The set name typically begins with a legislative identifier, and then incorporates SOE DEDUCTIONS as the next part of the name).
6. If you have an element set for imputed earnings, select it in the Elements 3 field.  
**Note:** For South Africa only: You select the ZA SOE Fringe Benefits and Other Non Payments element set in the Elements 3 field.
7. Select the Information element set in the Information 1 field. You create this element set when you set up your statement of earnings.  
See: Setting Up a Global Statement of Earnings, page 7-4
8. Select your predefined balance attributes in the Balances fields (Balance 1, Balance 2 and so on)
9. Save your work.

## **Business Groups: Entering SOE Detail Information**

The statement of earnings (SOE) displays details of earnings, deductions and other payroll-related information for an employee assignment. Oracle HRMS enables you to determine the display name for elements and balances, and the sequence in which they display.

### **To enter SOE detail information:**

1. In the Organization window, query the business group. In the Organization Classifications region, select Business Group, click Others, and select SOE Detail

Information.

2. Click in a field of the Additional Organization Information window to open the SOE Detail Information window.
3. Select the type of SOE details that you want to record, by selecting balance or element.
  - If you select balance, then select the balance, dimension, and balance display name that you want the SOE to display.
  - If you select element, then select the element name, input value, and element display name that you want the SOE to display
4. Save your work.

## Business Groups: Entering UIF File Creator Information

You enter UIF (Unemployment Insurance Fund) File Creator information to create the Electronic UIF File.

You enter UIF File Creator Information in the Organization window.

### To enter ZA UIF File Creator Information:

1. Query the business group. In the Organization Classifications region select Business Group, click Others, and select ZA UIF File Creator Inf.
2. Click in the Additional Organization Information window to display the ZA UIF File Creator Inf window.
3. Enter the Creator UIF Reference Number.
4. Enter the Contact Person's name, telephone number, and email address.

## HR Organizations: Entering National Minimum Wage Information

You enter National Minimum Wage Information to enable the correct calculation of Employment Tax Incentive (ETI).

### To enter National Minimum Wage information:

1. In the Organization window, query the HR Organization. In the Organization Classifications region, select HR Organization, click Others, and select National Min Wage Info.

2. Click in the Additional Organization Information window to display the National Min Wage Information window.
3. Select Yes or No to indicate if the organization is exempt from the National Minimum Wage.

**Note:** If you do not select a value for "Exempt from National Minimum Wage" at the Assignment level, then the application checks for a value at the HR Organization level. If there is no value at the HR Organization level, then the application checks for a value at the GRE / Legal Entity level. If there is no value at the GRE / Legal Entity level, then the application considers the value to be No.

4. Click Save.

## HR Organizations: Entering ETI Details

You enter ETI Details to enable the correct calculation of Employment Tax Incentive (ETI).

### To enter ETI details:

1. In the Organization window, query the HR Organization. In the Organization Classifications region, select HR Organization, click Others, and select ZA ETI Details.
2. Click in the Additional Organization Information window to display the ZA ETI Details window.
3. Select the applicable Org ETI SEZ Code.
4. Click Save.

## HR Organizations: Entering NQF SETA Information

You enter NQF SETA (Sector Education and Training Authority) Information to calculate the Skills Development Levy and create the Skills Development Levy Report.

You must first set up your NQF User Tables to be able to enter NQF SETA Information. See Setting Up NQF User Tables, page 3-8.

### To enter NQF SETA information:

1. In the Organization window, query the HR Organization. In the Organization

Classifications region, select HR Organization, click Others, and select ZA NQF SETA Information.

2. Click in the Additional Organization Information window to display the ZA NQF SETA Information window.
3. Select the SETA for your HR Organization.
4. Enter the Chamber and Activity names for your HR Organization.
5. Save your work.

## Training Provider: Entering Training Provider Information

All Training Providers are required to provide information for the National Learners' Records Database to their Primary ETQA. Use the Training Provider organization classification to enter the Provider Classification ID and Primary ETQA Name details.

### To enter Training Provider Information:

1. In the Organization window, query the Training Provider. In the Organization Classifications region, select Training Provider, click Others, and select Training Provider Inf.
2. Click in the Additional Organization Information window to display the Training Provider Inf window.
3. Choose the Training Provider and enter the Provider Classification ID and Primary ETQA Name details.
4. Save your work.

## GRE / Legal Entity: Entering Additional Tax Information

You must enter Additional Tax Information to be used in Tax Year End Reporting.

### To enter Additional Tax Information:

1. In the Organization window, query the organization. In the Organization Classifications region, select GRE/Legal Entity, click Others, and select ZA Additional Tax Information.
2. Enter the Code 4582 / 4583 Validation Variance amount. If the variance exceeds this amount an error will be displayed in the Create Tax Year End Exception Log.
3. Click Save.

## GRE / Legal Entity: Entering Employment Equity Information

You must enter Employment Equity Information to generate the Employment Equity Reports.

### To enter Employment Equity Information:

1. In the Organization window, query the organization. In the Organization Classifications region, select GRE/Legal Entity, click Others, and select ZA Employment Eqty Info.
2. Enter the Employment Equity Reference Number.
3. Select the applicable Business Type.
4. Enter the Industry / Sector and Bargaining Council.
5. Indicate whether the legal entity is voluntarily complying to the Act.
6. Indicate whether the legal entity is an organ of state.
7. Enter the Group or Holding Company Name.
8. Indicate whether the legal entity is a Public Company.
9. Enter the CEO and Employment Equity Manager details.

## GRE / Legal Entity: Entering Legal Entity Information

You must enter Legal Entity Information for use in the Workplace Skills Plan and Annual Training Report as well as ETI (Employment Tax Incentive) calculation and reporting.

### To enter Legal Entity Information:

1. In the Organization window, query the organization. In the Organization Classifications region, select GRE/Legal Entity, click Others, and select ZA Legal Entity Info.
2. Enter Contact Telephone Number, Fax Number and Email Address.
3. Enter the Postal and Physical Address details.
4. Indicate whether the legal entity has Diplomatic Indemnity.
5. Indicate whether the legal entity is a Government Employer.

6. Indicate whether the legal entity is Exempt from the National Minimum Wage.

**Note:** If you do not select a value for "Exempt from National Minimum Wage" at the Assignment level, then the application checks for a value at the HR Organization level. If there is no value at the HR Organization level, then the application checks for a value at the GRE / Legal Entity level. If there is no value at the GRE / Legal Entity level, then the application considers the value to be No.

7. Click Save.

## GRE / Legal Entity: Entering SDF Information

You must enter SDF (Skills Development Facilitator) Information for the Workplace Skills Plan and Annual Training Report.

### To enter SDF Information:

1. In the Organization window, query the organization. In the Organization Classifications region, select GRE/Legal Entity, click Others, and select ZA SDF Information.
2. Enter the Address details.
3. Enter the Contact Telephone, Fax and Mobile numbers.
4. Enter the Contact Email Address.
5. Click Save.

## GRE / Legal Entity: Entering Tax File Information

You must enter Tax File Information in order to generate the Electronic Tax File.

### To enter Tax File Information:

1. In the Organization window, query the organization. In the Organization Classifications region, select GRE/Legal Entity, click Others, and select ZA Tax File Information.
2. Enter the Contact Person Name, Surname, and contact details.
3. Click Save.

## GRE / Legal Entity: Entering Tax Information

You must enter Tax Information for your enterprise in order to produce statutory reports for SARS and the Department of Labour. This information is used for Tax Year End Reporting, calculating the Skills Development Levy and creating the Electronic UIF File and the Employment Equity Reports.

### To enter Tax Information:

1. In the Organization window, query the organization. In the Organization Classifications region, select GRE/Legal Entity, choose the Others button and select ZA Tax Information.
2. Click in the Additional Organization Information window to open the ZA Tax Information window.
3. Enter the Company Trading or Other Name and DTI (Department of Trade and Industry) Name.
4. Enter the Company VAT Number, Tax Reference Number and Company Registration Number.
5. Select Yes or No to indicate whether the legal entity is registered for UIF.  
If Yes, enter the following details:
  - UIF Number (SARS).
  - UIF Number (UIF File).
  - Employer E-mail Address (UIF File).
  - UIF Calc Based on Working Hours: if you select Yes, the application will not calculate UIF if an employee works for less than 24 hours per month for a single employer. If you select No or leave the field blank the application will not check hours worked before calculating UIF for an employee.
  - UIF Mismatch Message Type: if you select Error, the payroll will error for any employees that do not have equal amounts for the Employee and Employer UIF contributions. If you select Warning, the payroll will complete successfully and show a warning message for any employees that do not have equal amounts for the Employee and Employer UIF Contributions.
  - Select Yes or No to indicate whether the legal entity is registered for SDL. If Yes, enter the SDL Number.
  - Enter Trade Classification.

- Enter Employer SIC7 Code and SEZ Code.

6. Save your work.



# Locations

## Locations

In Oracle HRMS, you set up each physical site where your employees work as a separate *location*. If you use the Configuration Workbench to configure your basic enterprise structure, then you only need to create locations for the additional organizations you require.

See: Key Concepts for Representing Enterprises, page 1-6

You can set up:

- **Global locations:** These are available in all Business Groups.
- **Business Group locations:** These can only be used in one Business Group.
- **Business Place locations (Korea only):** These can only be used in one Business Place.

Similarly, you enter the addresses of external organizations that you want to maintain in your system, such as employment agencies, tax authorities, and insurance or benefits carriers. When setting up internal or external organizations, you select from a list of these locations.

This approach has these advantages:

- You enter information about each location only once, thereby saving data entry time.
- Central maintenance of locations ensures consistency of address standards.
- Your work sites exist as separate structures identifiable for reporting purposes, and for use in the rules that determine employee eligibility for various types of compensation and benefits.

## Mexico Only

Oracle HRMS uses the location associated with an assignment to determine its social security affiliation. It is recommended that you associate all locations with one or more appropriate GRE using the Mexico HRMS Statutory Reporting Hierarchy. Oracle HRMS determines the GRE of an assignment based on the hierarchy you have associated the location with.

See: Government Reporting Entities (GREs), *Oracle HRMS Enterprise and Workforce Management Guide (Mexico)*

See: Mexico HRMS Statutory Reporting Generic Hierarchy Type, *Oracle HRMS*

## **Location Extra Information Types**

You can define as many Extra Information Types as you require to hold information about locations. There is also one predefined location EIT.

- ZA SARS Address - this EIT enables you to enter business address details.

If the employee's assignment has a location attached, then the application retrieves the SARS business address from the ZA SARS Address Format Location EIT for the assignment. If there is no information specified in this EIT, then the application checks if the assignment has a position defined, and retrieves the information from the assignment position's location EIT ZA SARS Address Format. If the location is not defined at either the assignment's position or if the EIT information is not specified, then the application displays an error in the Tax Year End Data Validation report.

To be able to access the predefined EITs, you must link the EIT to your responsibility, see: *Setting Up Extra Information Types Against a Responsibility, Oracle HRMS Configuring, Reporting, and System Administration Guide*

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# People Management

## People Management Overview

Oracle HRMS provides you with an efficient and flexible people management system to organize your workforce as your enterprise requires. Using Oracle HRMS you can:

- Maintain information on all current and potential workforce to track their roles and activities from the time they apply for a job to when they leave your enterprise.
- Record deployment information such as organization, job, position, and grade of the workers in your enterprise.
- Maintain details such as qualifications, competency profiles, work choices, and benefits eligibility data to manage workforce development.
- Maintain documents of record such as work visas, permits, and certificates.
- Handle mass change processes to implement changes to high volumes of information, such as employee job data, new departments, or new work relationships.

## Managing Workforce Details

You can manage your workforce details using the following features of Oracle HRMS:

- **Workforce Assignments:** Record the details about the different work an employee, or a contingent worker does in your enterprise and relate them to your overall work structure.
- **Identify Workforce and Assignments:** Use unique numbers to distinguish your workers and their roles.
  - Person number: Identifies every employee, contingent worker, or applicant in

your business group.

- **Assignment number:** Identifies every assignment in your business group.
- **Person Types:** Record information related to different groups of people such as applicants, employees, and contingent workers and restrict access to the different group records.
- **Assignment Statuses:** Record changes in the work status of an employee or a contingent worker with statuses such as Active, Suspended, and Terminated. For example, if an employee is on maternity leave you can assign the Suspended status. To identify different work statuses in your enterprise you can expand the predefined system statuses and set up your own multiple *user* statuses. For example, you can define the user statuses of maternity leave, paternity leave, and military leave for the system status of Suspended.

## Managing Your Workforce

You can record details of your workforce on a daily basis using the People Management templates or the People and Assignment windows.

- **People Management Templates:** To complete tasks like entering people and hiring applicants. Your system administrator can modify the templates to create windows that are specific to your business processes.
- **People and Assignment Windows:** To enter, track, and report on people on a day to day basis. You use these windows if People Management templates are not set up in your enterprise.

## Recording Additional Information

In addition to the workforce information you enter, you can set up flexfields to capture information unique to your enterprise. For example, you can define Special Information Types to hold employee disciplinary records and Extra Information Types to record data required by your localization such as birth certificate details.

To understand the difference between Special Information Types and Extra Information Types, see: Extra Information Types (EITs), *Oracle HRMS Configuring, Reporting, and System Administration Guide*

## Workforce Management Using Oracle Self-Service Human Resources

Oracle Self-Service Human Resources (SSHR) enables line managers, employees, and contingent workers to update their personal and professional information through interfaces personalized to their roles, work content, and information needs. Line managers can perform day-to-day HR tasks such as updating the employees'

assignment details and processing transfers, promotions, and terminations. To work with Oracle SSHR, you must purchase the license from Oracle. For information on licenses, contact your Oracle sales representative.

See: *Using SSHR for Workforce Sourcing and Deployment, Oracle Self-Service Human Resources Deploy Self-Service Capability Guide*

## Reporting on Workforce Management

Oracle HRMS and Oracle HR Intelligence (HRI) provide a range of reports to track your workforce deployment. For example:

- Oracle HRMS offers the Assignment Status report, listing people assigned to particular organizations, jobs, positions, and grades with specific assignment statuses.
- Oracle HRI offers the Employee Separation by Reason (Organization Hierarchy) Status Analytics by Organization worksheet. This worksheet outlines the reasons for employees' separation in different organizations of your enterprise. To work with Oracle HRI reports you must purchase the appropriate license from Oracle. For information on licenses, contact your Oracle sales representative.

For more information, see: *Reports and Processes in Oracle HRMS, Oracle HRMS Window Navigation and Reports Guide*

## Key Concepts

To effectively use Oracle HRMS for workforce management, see:

- *People in a Global Enterprise, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*
- *The Employee Assignment, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*
- *Contingent Workers, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*
- *Assignment Statuses, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*
- *Overview of Self-Service Actions, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*
- *Template Windows User Interface, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*

## People Management

### How does Oracle HRMS enable you to manage all the people who make up your enterprise?

Using Oracle HRMS you can hold, inquire on, and track a wide range of personal information. This can include medical details, work schedules, preferred languages for correspondence, and personal contacts, as well as the basic details such as date of birth, employee number, and addresses.

You also need to record information about what the people in your enterprise are employed to do. You can enter, maintain, report, and inquire about all aspects of employment information.

Oracle HRMS enables you to enter and track people from the day they apply for a job to the day they leave your enterprise.

### Can you enter information specific to your enterprise?

Yes, you can. Not every enterprise holds the same information about its workforce, so you can configure Oracle HRMS using descriptive flexfields, Extra Information Types, and Special Information Types to record everything you need to know.

### Does Oracle HRMS provide any specific features for managing contingent workers?

Yes, Oracle HRMS enables you to treat contingent workers as an entirely separate category of human resource that you can process and report on separately from employees.

### How can I update a batch of assignments together, as when a department relocates?

The Mass Assignment Update feature enables you to update assignment information for multiple employees and contingent workers in a single business group using a single update request. You can also update assignment information for multiple applicants using a single update request.

### My organization is relocating in three months; is it possible to create a future-dated assignment update?

Yes it is. The mass update to be submitted must operate at one effective date, which can be a past, present, or future date. The effective date is the date on which the change is recorded, and the date the update is submitted.

## **Does Oracle HRMS provide features to update worker information across business groups using a single responsibility?**

Yes. You can use the People Management templates to query and update worker information across business groups using a single responsibility. Oracle HRMS provides a search criterion called Business Group in addition to the existing criteria in the Find window of any people management template. This criterion enables you to search for employees belonging to one or more business groups.

When you perform a search, the Summary and Maintain windows display the business group to which the worker belongs. In addition, the key flexfields, descriptive flexfields, special information types, and extra information types display data that is appropriate to that worker's business group.

## **Can I move people automatically from one business group to another?**

Yes. Using the Global Deployments function, HR Professionals can transfer an employee either permanently or temporarily to a different business group.

At the start of the deployment, Oracle HRMS automatically creates or updates employee records in the destination business group. If the transfer is permanent, then HRMS terminates employee records in the source business group. If the transfer is temporary, then HRMS suspends the employee's current assignments. When the employee returns from a temporary deployment, HRMS automatically terminates the employee record in the destination business group and reinstates suspended assignments in the source business group.

## **What are personnel actions?**

Personnel Actions are business activities that define and document the status and conditions of employment, such as hiring, training, placement, discipline, promotion, transfer, compensation, or termination.

Personnel Actions fall into three overall types:

- Hiring
- Deployment
- Termination

Oracle Self Service Human Resources (SSHR) provides a configurable set of tools and web flows for initiating, approving, and managing these activities.

## **In what ways does Oracle SSHR make it easier to manage personnel actions?**

You can process multiple actions on the same person concurrently, so you needn't wait for other actions to process before initiating one of your own. The application calculates

a person's eligibility for you automatically. Approvers can return an action to any previous approver for correction. Any approver on the chain with appropriate permissions can update an action, even change the effective date. You can also specify the date on which an action takes effect, or make it effective on final approval. The application gives you easy access to information about your people, the other approvers on the chain of recipients, your pending actions, and actions on your people awaiting the approval of others.

Document management features enable you to automatically generate business documents, such as a request or notification, correspondence, or a contract. 'What-If' analysis enables you to see the impact of your proposed change on a person's entitlement to compensation or benefits, before submitting the change for approval. You can attach supporting documents to an action, such as a resume, certificate, photo, or web address.

### **The flexibility of allowing multiple transactions and allowing any approver to change the effective date can lead to conflicts with other pending or approved actions. How does Oracle SSHR help manage this?**

If someone makes a change to a person's record before you can approve your action, your setup can specify that the application add the updated information from the intervening change, or preserve your data. The application informs you of the status of the changes in a table that displays the original, intervening, and refreshed values.

Your setup can also specify that the application inform you when it encounters a future-dated change to the person's record. In this situation, the application routes your action to a Human Resources representative on approval, for manual entry of the changes.

### **I need to approve an absence, how do I know if another worker is available to cover the time?**

You can use the Review Resource Availability page using the HR Professional responsibility to view a worker's schedule and any calendar events that affect their time. The application searches the person's schedules and applicable calendar events within the dates you specify, and displays the results in a table.

Use the integrated features from Oracle HRMS and Oracle Common Application Components (CAC) to set up shifts, schedules, and calendar events, so you can determine the availability of your workforce.



# People Management

## Assignment Extra Information Types

You can define as many Extra Information Types as you require to hold information about assignments.

To be able to access the predefined EITs, you must link the EIT to your responsibility.

See: Setting Up Extra Information Types Against a Responsibility, *Oracle HRMS Configuring, Reporting, and System Administration Guide*

There are three predefined assignment EITs:

- Tax Information (ZA\_SPECIFIC\_INFO).
  - Enter the Employee Trading Name, if applicable.
  - Enter the Employee Company CC Trust Number, if applicable.
  - Select the Nature of Person. This information is required for IRP5 and IT3A Tax Certificates and the Electronic Tax File:

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Nature of Person	Description
A	Person with an ID / Passport Number that is not Nature of Person M, N or R
B	Person without an ID / Passport Number that is not Nature of Person M, N or R
C	Director of Private Company/Member of CC. Invalid effective 01 March 2019
D	Trust
E	Company or Close Corporation
F	Partner
G	Corporation
H	Personal Service Provider

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K	Personal Service Trust (Obsolete)
M	Asylum Seeker
N	Pensioner
R	Refugee

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- Foreign Income: Yes/No
- Independent Contractor: Yes/No
- Labour Broker: Yes/No
- Select the Legal Entity to which this assignment belongs.

**Note:** You must select a legal entity if you want to include an assignment in the Employment Equity Reports and the Electronic UIF File. You must also select a Legal Entity to generate a Tax Certificate for an assignment.

- Pension Basis. Defaulted from the assignment's payroll, you can change the value if required.
- Indicate whether the assignment must be included in the calculation of Skills Development Levy.

**Note:** You must set the Skills Development Levy indicator to 'Exempt' for Labour Brokers with an exemption certificate.

- Employment Equity Status. You can indicate if an assignment is permanent or non-permanent (temporary) for the purposes of the ZA Employment Equity reports. If a value is entered here it will override the status derived by the system.
- EMP201 Status. Indicate whether the assignment is permanent or non-permanent.
- Payment Type. Select the applicable payment type.
- SARS Reporting Account Number. You must enter a value in this field when the Payment Type is Internal Account Transfer. The LOV displays all bank

accounts linked to the assignment's personal payment methods, select the bank account that you use for your general living expenses.

The application uses this value to determine SARS codes 3240 and 3246 when the Payment Type is Internal Account Transfer.

- If you remove the account selected in the SARS Reporting Account field from the assignment's personal payment methods, then you must update the SARS Reporting Account to the correct value.
  - The tax year end validation reports reports an error if the SARS Reporting Account value does not match one of the bank accounts attached to the assignment's personal payment methods.
- 
- Exclude from COIDA Report. Indicate whether the assignment must be excluded from the COIDA Report or not.
  - Employee SIC7 Code: This is defaulted from the Legal Entity, you can change the value if necessary.
  - Select the applicable Employee SEZ Code.
  - If you make use of the ETI Functionality enter the Employment Start Date for ETI and indicate if the employee possesses a refugee ID or not.
- 
- UIF Information (ZA UIF INFO). You use this to enter the:
    - Non Contribution Reason Code. Select the relevant noncontribution code if you want to exclude an assignment from the calculation of UIF.
    - Employment Status: This field defaults to 01 (Active). You indicate if an employee is on maternity, adoption, or illness leave.
  - National Minimum Wage Info (ZA\_NMW\_INFO). Enter the following information if you are making use of the ETI (Employment Tax Incentive) functionality.
    - Worker Type - This field defaults to Ordinary Worker. Select the applicable worker type if the employee is not an ordinary worker.
    - Credits Earned by Learner - If the Worker Type is "Learner in terms of Learnership Agreement", you must enter a value here.
    - NQF Level - If the Worker Type is "Learner in terms of Learnership Agreement", you must enter a value here.

- Exempt from National Minimum Wage - Yes / No.

**Note:** If you do not select any value, then the application will check for a value at the HR Organization level. If there is no value at HR Organization level, then the application will check for a value at GRE / Legal Entity level. If there is no value at GRE / Legal Entity level, then the application will consider the value to be No.

**Additional Information:** See: My Oracle Support Knowledge Document 2660475.1 *ZA ETI Setup*

## Entering a New Person (People Window)

Use the People window to enter and maintain basic personal information for all person types, including employees and contingent workers.

**Note:** You can also use one of the template windows such as Entering Employees or Entering Contingent Workers to enter new people.

The minimum information to enter for all categories of people is name and action type. In addition, for employees you must enter gender, employee number (if your enterprise uses manual number entry), and date of birth (for assignment to a payroll). Your localization may require additional mandatory information.

### To enter a new person:

1. Set your effective date to the appropriate date for adding the person to the application. If you are entering an employee, this should be their hire date.
2. Enter the person's name and other details in the Name region. Only the last name is required for most legislations, but some legislations require a first name too.

**For UK users:** The first name is a mandatory field. Ensure that the first character is an alphabet. The employee's last name is not a mandatory field, however, ensure that the first character is an alphabet.

**For Romanian users:** First and last names are mandatory.

- In the Title field, select a title such as Mrs. or Doctor.
- You can use the Prefix field to enter the first part of the person's name, such as van der. In the case of someone whose last name is van der Zee, you can sort by the last word of the name, that is Zee. If the whole name van der Zee is entered

in the Last Name field, the name is sorted under van.

**For Romanian users only:** Prefix is not required in Romania, so this field is not available to Romanian users.

**For Russian users only:** Prefix is not required in Russia, so this field is not available to Russian users.

**For UAE users only:** Prefix is recorded as additional personal information. Therefore, this field is not displayed in the Name region.

- The Suffix field holds part of the last name, such as Junior or II. You can report on the suffix separately, as required in some government-mandated reports.

**For Romanian users only:** Suffix is not required in Romania, so this field is not available to Romanian users.

**For Russian users only:** Suffix is not required in Russia, so this field is not available to Russian users.

**For UAE users only:** Suffix is recorded as additional personal information. Therefore, this field is not displayed in the Name region.

- **For Russian users only:** In the Genitive Last field, enter the genitive case of the person's last name. For example, Ivanovskogo is the genitive case of the last name Ivanovskii. The genitive last name is required for some statutory reports. If you do not enter the genitive last name, the application uses the nominative last name.

3. Select a gender, if required. In the US, you must choose Male, Female, or Unknown Gender. In the UK, you must enter the gender of each employee. For Poland, the PESEL you enter supplies the gender information. For Finland, the PIN (Personal Identification Number) supplies the gender information.

**Note: For Norway users only:** A gender value will be automatically generated based on the person's National Identity number.

4. In the Action field, select an action type (such as Create Employment) and a person type. The person type you select displays immediately in the Person Type for Action field before you save it. If only one user person type exists for the action type, it displays automatically in the Person Type for Action field.

**Note:** If you enter a contingent worker who has a previous person type such as ex-employee, you can choose to revert the contingent worker back to the previous person type by using the Cancel Placement action.

If you are a Finnish user and need to pay salary to a contingent worker through

Oracle payroll, you need to enter the person as an employee. You then change the person as a not employed person by changing the employee status in the Additional Assignment Details window. See: *Entering Additional Assignment Details (Assignment Window), Oracle HRMS for Finland Supplement*

You create user person types in the Person Types window. If you want to change a person type to another person type with the same system person type you must use the Person Type Usage window.

See: *Changing Person Type Usage and Deleting OAB Person Type Usage, Oracle HRMS Enterprise and Workforce Management Guide*

### **Entering Employee Information:**

Enter the following information if the person is an employee.

1. If desired, change the Latest Start Date field.
  - The Latest Start Date field displays your effective date.
  - For employees who have previously worked for your enterprise, the Date First Hired field displays the start date of the employee's earliest, previous period of service. This date must be on or before the start date of the earliest period of service. The Date First Hired field is situated on the Benefits Tab.

If the latest start date and the date first hired are the same, when you amend the latest start date, the date first hired is set to the same date.

If you amend the latest start date to earlier than the date first hired, the date first hired is set to the same date.

**Note:** In the US, before making a change to a latest hire date already entered for an employee, ensure that the start date of the employee's primary address is the same as or earlier than the new hire date. This preserves the integrity of the employee's tax records.

### **Entering Identification Information:**

Enter the person's identification information in the Identification region:

1. If your enterprise uses a manual number generation scheme, enter an employee, applicant or contingent worker number. If your enterprise uses automatic number generation (including Use Employee Numbering for contingent workers), the employee, applicant, or contingent worker number automatically displays when you save your entries in this window.

**Note:** If you query a person who has a combination of employee,

applicant, and contingent worker numbers, the employee number displays in the Number field. If the person lacks an employee number but has a contingent worker number and an applicant number, the contingent worker number displays. However, you can choose to view any of the identification numbers held for a person by selecting them from the list.

2. Enter the national identifier for your country. For example, enter the National Insurance number in the UK, the Social Security number in the US, the PPS Number for Ireland, the Fiscal Code in Italy, the IRD Number in New Zealand, the Social Security Code (TAJ) in Hungary, the Individual Tax Payer's Number (INN) in Russia or the ID number in South Africa.

**For Japanese users:** If you have entered the personal number using the self-service pages, then you can view the masked personal number. You cannot update the personal number here. This is a unique identification number and is used for taxation and social insurance purposes and for display on the withholding income tax report, notification of acquisition of insurance qualification.

If you are an Australian user, leave the National Identifier field blank. For Finland, the PIN (Personal Identification Number) supplies the values for gender, date of birth, and age.

**Note:** For Norway and Sweden users only: The PIN (Personal Identification Number) supplies the values for gender, date of birth, and age.

### Entering Personal Details:

Enter personal details in the Personal tabbed region.

1. Enter a date of birth. You must do this before you can assign an employee to a payroll. For Poland, the PESEL supplies the date of birth. For Finland, the PIN (Personal Identification Number) supplies the date of birth.

**For UK users only:** If you have not entered the NI Number, the Date of Birth is a mandatory field.

2. Enter additional birth information into the Town of Birth, Region of Birth, and Country of Birth fields.

**For Hungarian, UAE, and Indian users only:** Enter the place of birth instead of town of birth as this information identifies employees and appears in statutory reports.

**For Belgian users only:** Region of birth information is not required in Belgium, so this field is not available to Belgian users.

**For Romanian users only:** You must select the country of birth first. If the country of birth is Romania, then the Region of Birth field displays the counties and on selecting the county, the Town of Birth displays the localities. If the country of birth is not Romania, then the Region of Birth and Town of Birth are free text fields.

3. **For Russian users only:** Enter the place of birth code in the Place of Birth field. The application uses this information when generating tax and pension statutory reports. You can find this code in the document *All Russian Classification of Subjects of Administrative and Territorial Division (OKATO)*.

4. **For Finnish and Romanian users only:** Enter the place of residence. The place of residence influences the regional membership. You use the place of residence and regional membership to calculate income tax and other statutory deductions. Romanian users can optionally specify whether the person is a resident of Romania, a non resident non European Union, or a non resident European Union.

**For Japanese users only:** Enter the country of birth.

5. If the Work Telephone field is displayed, enter a work telephone number. Otherwise, use the Phone Numbers window to enter this information.

6. In the Status field, select a marital status.

7. Select a nationality.

**For UAE users only:** Nationality is recorded as additional personal information. Therefore, this field is not displayed in the Personal tabbed region.

8. **For Russian users only:** Enter the employee's statutory Pension Insurance Fund identifier. It is the employee's ID in the Statutory Pension Insurance Fund.

9. **For Russian, Swedish, and Romanian users only:** Select the person's citizenship. In Russia, you require this information for some statutory reporting to migration authorities. In Sweden, you can use this information to track persons who are not Swedish citizens, since the taxation and pension insurance schemes differ from those for Swedish citizens. For Romania, you can optionally specify whether the person is a Romanian, European Union, or other citizen.

10. Select whether your employee, applicant or contingent worker is:

- Registered disabled
- Not registered disabled
- Partially disabled
- Fully disabled



**Note:** Whether employees are fully or partially disabled affects benefits eligibility calculations.

In the US, the Americans with Disabilities Act (ADA) Report includes employees set up as registered disabled, partially disabled, and fully disabled.

**For Norway, Finnish, Danish, and Swedish users only:** This field is not available.

11. **For Dutch users only:** Select Yes in the Work Abroad Exceeding One Year field, if your employee has worked abroad for more than a year.
12. **For Belgian users only:** enter the person's preferred correspondence language in the Other region.
13. Save your work.

### **Multiple Person Records:**

1. If your data already includes a person with the same national identifier, or with the same surname and a first name and date of birth that is either the same or not entered, then a list of values shows all the people who share the details.

**Note:** People who are only entered with a person type of Other, that is someone external to your enterprise, are not shown in this list.

If you have entered neither a first name nor a date of birth, then the list of values displays all the records that match the information you have entered.

**Note:** The list of values displays only if your system administrator has set the HR: Cross Business Group profile option to Yes.

Do one of the following four tasks:

- If the person you are entering already exists, but in a different business group, then select that person from the list of values. The person you are entering is saved in your current business group and linked to the existing person record to indicate they are the same person. If your application has person synchronization enabled, then the personal information entered for the new person is copied across to existing records in other business groups. If existing records have values for fields that the new record leaves blank, then these values appear in the new record. See: *Person Record Synchronization, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*
- If the person already exists in your current business group then select that

person from the list of values. The application retrieves the existing record and cancels the save you were trying to make, as one business group cannot contain two records for the same person. Close the new record and scroll down to display the existing record.

**Note:** You cannot link to any entry in the list of values marked with an asterisk as these either belong to your business group, or are linked to a person in your business group.

- If the person already exists in TCA, but not in HRMS, then select that person from the list of values. The person you are entering is saved in your current business group and linked to the existing person record to indicate they are the same person. The information held for the person in TCA is updated with that entered in HRMS. See: *People in a Global Enterprise, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*
- If the person you are entering does not match any of the records displayed, then select No Match in the lookup. Your new person record is saved.

### **What Next?:**

Optionally, you can enter additional information for people in the tabbed regions.

**Note:** The Background Information, Medical Information, and Rehire Information tabbed regions appear only if your system administrator has enabled them for you.

### **Sending Emails for Personal Information Updates**

Your system administrator can configure the application to send emails when you update personal information in the People window. Emails are sent to the email recorded in the Email field in the Office Details tab. See *Subscribing to Business Events to Send Emails, Oracle HRMS Configuring, Reporting, and System Administration Guide* for more information.

## **Entering Additional Personal Information (People Window)**

Optionally, you can enter additional information for people in the tabbed regions of the People window described in the following steps.

You must enter the mandatory information on the Employment tab.

**To enter office information for a new hire, an existing employee, or a contingent worker:**

1. Choose the Office Details tabbed region.
2. Enter the office number for this office.
3. Enter the internal location of this office.
4. Enter the office identifier for internal mail.
5. Enter the person's email address.
6. In the Mail To field, select Home or Office to indicate the person's preferred mail destination.

**To enter information for an applicant:**

1. Choose the Applicant tabbed region.
2. If the applicant's resume is on file, check the Exists check box.
3. If the applicant's resume is on file, select the date indicating when the resume was last updated.
4. Select a final date a file is to be maintained for this applicant.

**To enter information concerning the background check for a person:**

1. Choose the Background tabbed region.
2. Check whether the person's background check has been performed.
3. Select the date the background check was performed.

**To enter rehire recommendation information for an applicant who was a former employee or contingent worker:**

1. Choose the Rehire tabbed region.
2. Check whether the former manager has recommended the applicant for rehire.
3. Select the reason for this recommendation.

**To enter further name information:**

1. Choose the Further Name tabbed region.

2. Enter one or more honors/degrees (BA, MBA or JD, for example) that the person has earned.
3. Enter the name (perhaps a nickname) by which the person prefers to be known.
4. If the person was previously known by a different name, enter the previous last name.

**To enter medical information for a person:**

1. Choose the Medical tabbed region.
2. Select the person's blood type.
3. Select the date of this person's last medical test.
4. Enter the name of the physician who performed this test.

**To enter other information for a person:**

1. Choose the Other tabbed region.
2. Select the type of schedule in the Availability/Schedule field; for example, the days of the week your employee works.
3. Enter the person's current full time/part time availability to work with your company.
4. Select the language the person prefers for correspondence.  
  
South African users can use the Language Preference field in the Further Person Information flexfield on the Employment tab to select an official South African language.
5. If the person has died, enter the date of death.  
  
If you enter the termination reason of deceased and the actual termination date on the Terminate window and date of death has not been entered, it is set to the employee's termination date.
6. Select the current status of the student, if your employee is a student.
7. In the Date Last Verified field, you can enter the date the person last checked this personal information for accuracy.
8. Check the Military Service check box if the person is employed in a military service in some capacity.

The value of this field can impact benefits calculations.

9. Check the Second Passport Exists check box if the person possesses multiple passports.

**To enter benefits information:**

1. Choose the Benefits tabbed region.

**Note:** If necessary, you can add the Benefits Tab to the People window. Query the BEN\_MANAGER menu in the Menus window and add the HR View Benefits function to the menu.

2. Enter a benefit group for your employee or applicant. Benefit groups are used to determine a person's eligibility for a plan or for setting benefit rates. For example, benefit groups can be used for mergers and acquisitions where eligibility is complicated. They can also be used where a person is grandfathered into a very old plan.
3. Enter what kind of tobacco your employee uses, if any. For example, cigarettes, pipe, cigar or chewing. This is used within benefits to determine the eligibility and rates for particular plans.
4. Enter medical plan number. This is the policy or group plan number of an externally provided medical plan. This is used to determine eligibility to participate in some plans.
5. Enter the adoption date, if the employee whose record you are updating has adopted a child. This information, with the child's date of birth, is used to determine whether a dependant is covered by a plan. You can only enter the adoption date if you have entered a date of birth for the person. The adoption date must be greater or equal to the date of birth.
6. Enter the date you received the death certificate, if your employee has died. You can only enter this once you have entered the date of death in the Other Information region. The receipt of the death certificate must be after or equal to the date of death.
7. Enter an adjusted service date for your employee. This date is used within benefits, in place of the date first hired, to determine the length of service for eligibility, enrollment and rates. The adjusted service date may be used to credit service for former employers, grand-fathered benefits or in the case of mergers and acquisitions.
8. Change the date first hired for your employee. For employees who have previously worked for your enterprise, the Date First Hired field displays the start date of your employee's earliest, previous period of service. This date must be on or before the start date of the earliest period of service.

9. Check the Other Coverage checkbox, if your employee or applicant has externally provided coverage. This determines a person eligibility for certain plans.
10. Check the Voluntary Service checkbox, if your employee or applicant is volunteering, for example as a missionary. This determines eligibility to continue or receive coverage from certain plans.

**To enter employment information:**

1. Choose the Employment tabbed region.
2. Click in the Information field to display the segments of the Further Person Information flexfield.
3. Enter the Income Tax Number for Tax Year End Reporting.
4. Enter the Passport Number and Country of Passport Issue if no ID Number is provided.
5. Indicate whether the person is a foreign national.
6. Enter the Work Permit Number and Expiry Date, if applicable
7. Enter the Date of Naturalization, if applicable, to ensure that the application can identify foreign nationals correctly for Employment Equity Reporting.

**Note:** An employee is reported as a foreign national in the Employment Equity reports when the value in the Foreign National field is Yes, or the Foreign National field is blank and the Date of Naturalization is on or after 27-Apr-1994.

8. Select the person's Race. This is used for Employment Equity Reporting. Race is mandatory for employees but not applicants.
9. Select the ethnic origin.
10. Select the employee's language preference.
11. Select the person's religion. This information is used for absence management purposes, for example, to determine an employee's religious holiday entitlement.
12. Select an Alternate Identification Type if applicable and enter the Alternate Identification Number.

## Entering an Assignment (Assignment Window)

When you enter an employee or contingent worker, or hire an applicant, Oracle HRMS automatically creates a default assignment. You can view and update the default assignment in the Assignment window.

You can then enter additional assignments, if required, using the Assignment window.

### To enter an assignment:

1. Set your effective date to the start date of the new assignment.

**Germany only:** If you want to link a contract to this assignment, you should do so before completing any further fields, as some fields in the Assignment window default to values defined on the contract and cannot be overridden here. Add contract details using the Contract field on the Employment Terms tabbed region. If you are assigning a contingent worker, the Employment Terms tabbed region does not display, preventing you from adding a contract.

2. Select the organization to which you want to assign the employee or contingent worker. By default, the employee has an assignment either to the business group, or to the organization to which he or she applied. Contingent workers have a default assignment connected to the business group.

If you overwrite these defaults, a window appears asking if the change is an update or a correction. Select Correction.

If you are creating an additional assignment, no default business group or organization is displayed.

3. Select the job or position for which this person has been assigned.

**France only:** For a public sector type organization, the Position field is read only. Oracle HRMS displays the position details you recorded using the HR Administrator Actions pages.

**Russia only:** Click the Attachments Menu icon on the tool bar to enter the contingent worker's job description.

**India only:** The position selected is displayed on the employee's Form 16.

4. For employee assignments, select a grade for information or to use grade rates or grade scales to determine the appropriate compensation levels for the employee.
5. If you defined a location for the business group or other organization, it appears as a default. Change this, if required.

**Mexico only:** The assignment's location determines its GRE.

- If you have assigned multiple GREs to a location (through the generic

hierarchy), you must choose which one applies to this assignment. Navigate to the Statutory Information tabbed region and make a selection in the Government Reporting Entity field.

- If you change your assignment's GRE, you must specify a Social Security Leaving Reason (under the Social Security Affiliation tabbed region).

See: *Transferring Employees, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide (Mexico)*

6. **France only:** Select the establishment as it serves as the legal point of contact for settling any disputes and manages the personal details of the workforce.

**Note:** For a public sector type organization, the Establishment field is read only. Oracle HRMS displays the establishment details you recorded using the HR Administrator Actions pages.

7. **Netherlands only:** Select the reporting employer. The assignment is reported under this employer in the wage report. If you change the employer establishment after running the payroll and before running the Wage Report, the collective report section on the Wage report will not match the sum of nominative reports.

**Note:** By default, the assignment is reported under the employer linked to the assignment's payroll. Changing the employer does not change the Payroll Object Group. To change the Payroll Object Group, terminate the existing assignment and create a new assignment with a new payroll. You can change the employer linked to the payroll using the Payroll window.

8. Select the people group and enter information defined in your people group flexfield. This is optional.
9. Select a payroll if you are paying an employee using Oracle Payroll, or if you intend to record for the employee certain types of compensation and benefits (represented on the system by *nonrecurring elements*).

**Note:** If Oracle Payroll is installed and you are an HR User, you cannot assign employees to payrolls. Ask your system administrator to change your HR:User Type profile option if you need to assign employees to payrolls.

**Note: Denmark Users:** Select Salaried or Hourly. There is no relation to the Payroll frequency.



10. Select a status for the assignment. By default a new assignment has the status Active Assignment (or an equivalent user status defined on your system).  
*See: Assignment Statuses, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*  
**Australia Only:** Select if the employee works overseas or as part of Joint Petroleum Development Area (JPDA). The status you specify determines which earnings appear on which Payment Summary.
11. **Korea Only:** Select the business place to which you assign your employee.
12. Enter an assignment number to uniquely identify the assignment. By default, this number is the same as the employee or contingent worker number, for the first assignment.
13. For employee assignments, select a collective agreement if the employee is covered by one.  
  
You can calculate values based on a collective agreement only for an employee's primary assignment.
14. Select an assignment category, for example part-time or full-time.  
**Hungary only:** Select an employment category, for example part-time or full-time.  
**Ireland only:** Select an employment category, for example part-time or full-time. Select Apprentice/Trainee if the assignment is an apprentice or a trainee.  
**Mexico only:** Select the employee's Social Security employment type.  
*See: Define the Social Security Employment Types, Oracle HRMS Implementation Guide (Mexico)*  
**Romania only:** Select a labor contract category as reported to REVISAL.  
**Russia only:** This field is mandatory to enable you to use them for reporting purposes. Use only the four values available for this field. For these values, the suffix Regular refers to an assignment with an indefinite period (permanent). The suffix Temporary refers to an assignment having a limited term.
15. For employee assignments, select the employee category, for example blue collar or white collar.  
**Ireland only:** Select a valid employment category from the list. The list displays all the occupation categories for reporting in the EHECS report.  
**Mexico only:** Select the employee's Social Security employment category.  
**Spain only:** Select the professional category, for example administration clerk or civil servant.
16. Enter the information you want to hold in the tabbed regions, for example,

supervisor details, special ceiling progression points, or salary information.

See: *Entering Additional Assignment Details*, page 2-24

You can use the Oracle HRMS and Common application Components (CAC) integrated schedule features to assign a schedule to the worker's assignment. If you want the application to only display schedules the worker is eligible for, then run the Eligibility Engine process for the worker.

See: *Setting Up Availability, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*

## Entering Additional Assignment Details (Assignment Window)

Once you have set up basic assignment details, you can enter additional information, such as supervisor details, special ceiling progression points, and salary information, in the tabbed regions of the Assignment window. The tabbed regions that appear in the Assignment window vary according to person type and localization.

**Note:** For countries other than the US or UK, your Oracle localization team may have created additional fields in a tabbed region to hold legislatively required additional information.

### To enter salary information for an employee:

Use the Salary page to enter a proposed salary change for an employee, associate this change with a performance review, and accept or revise the change later. To administer an employee's salary in this way, you first assign the employee to a salary basis in the Salary Information region.

1. Choose the Salary Information tabbed region.
2. Select a salary basis for the employee.
3. You can also enter the frequency of salary and performance reviews.

**Note:** When you change salary basis for an assignment, the application end dates the existing proposal and creates a new salary proposal. The new proposal updates the salary element entry automatically. When you remove a salary basis from an assignment, the application end dates the existing salary element entry, enabling you to manually create a new salary element entry effective from the date of the salary basis change.

For more information about salary administration, see: *Salary Administration, Oracle HRMS Compensation and Benefits Management Guide*

**To enter supplier information for a contingent worker:**

You use the Supplier tabbed region to record information about the supplier providing the contingent worker to your enterprise. The procedure depends on whether you are using Oracle Services Procurement to provide purchase order information for contingent worker assignments.

**If you are not using Oracle Services Procurement:**

1. Choose the Supplier tabbed region.
2. Select the names of the supplier and the supplier site for the contingent worker.
3. Enter supplier IDs for the contingent worker and the assignment, if available. These values identify the worker and the assignment to the supplier.

**If you are using Oracle Services Procurement:**

1. Choose the Supplier tabbed region.
2. Select a purchase order number for this assignment.
3. If only one purchase order line exists, it appears in the Purchase Order Line field. Otherwise, select a purchase order line. Note that the Purchase Order Line field is enabled only when you select a purchase order.
4. Information from the purchase order appears automatically in the Supplier Name and Supplier Site fields. If the purchase order line includes a job value, it replaces any value in the Job field.
5. Enter supplier IDs for the contingent worker and the assignment, if available. These values identify the worker and the assignment to the supplier.

**To enter supervisor information for an employee or contingent worker:**

1. Choose the Supervisor tabbed region.
2. Select the name and number of the worker's personal supervisor. If you use assignment-based supervisor hierarchies, select the supervisor's assignment number.

You can select a contingent worker as a supervisor only if the HR: Expand Role of Contingent Worker user profile option is set to Yes.

You can select a supervisor from another Business Group if the HR:Cross Business Group user profile option is set to Yes at your site.

**Note:** The application does not update this information. Use

organization and position hierarchies to show management reporting lines.

### **To enter probation period and notice information for an employee:**

The probation period defaults from the employee's position.

1. Choose the Probation and Notice Period tabbed region.
2. Amend the default probation period for your employee's assignment, if required.
3. Enter the notice period for the assignment, if required.

### **To enter standard conditions information for an employee or contingent worker:**

To enter schedule information for a person, you can:

- Set up extensive availability information such as, shifts, schedules, and calendar events using integrated features from HRMS and Common Application Components (CAC).

See: *Setting Up Availability, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*

- Set up holiday calendars, shifts, and work plans in OTL.

See: *Time Management Structures, Oracle Time and Labor Implementation and User Guide*

Alternatively, you can enter basic schedule information in various areas of Oracle HRMS, such as here in the Assignment window.

**Important:** The application does not use the schedule information that you can enter here to determine a worker's availability. This is for information purposes only.

The decision for which method to set up is based on knowledge of which applications use which information.

The standard work day information (apart from the Hourly/Salaried field) defaults from the position. If standard conditions are not defined for the position, they default from the organization or Business Group.

1. Choose the Standard Conditions tabbed region.
2. Amend the standard work day information for your employee or contingent worker assignment, if required.

3. This step is for employees only. For benefit administration, enter whether the assignment is hourly or salaried. If you are in the US, benefits are often based on whether a person is paid hourly or receives a salary.

**Note:** If you are setting up benefits based on salaried or hourly pay you must set up the Hourly/Salaried field in addition to the Pay Basis. The Pay Basis identifies how pay is quoted within Salary Administration and enables an employee to have their pay quoted as hourly, but be paid a salary. Therefore, for benefits, you need to set up whether your employee is paid hourly or receives a salary.

To enter details in the Work from Home Info EIT, you must select the Working At Home check box. See *Assignment Extra Information Types (EITs), Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide* for more information.

### **To enter primary or secondary assignment and miscellaneous information for an employee or contingent worker:**

1. Choose the Miscellaneous tabbed region.
2. Enter the internal address details (such as the floor or office number), if required. The system adds the details to the location address.
3. Select a reason for adding or changing the assignment. For example, you can use the Reason field to record promotions for your employees. You define valid reasons as values for the lookup types Reason for Change to Employee Assignment (EMP\_ASSIGN\_REASON) for employees and Contingent Worker Assignment Reasons (CWK\_ASSIGN\_REASON) for contingent workers.
4. Select the Manager box if the assignment is at manager level and you want to include this worker in the Organization Hierarchy Report as a manager. (You can select Manager for a contingent worker assignment only if the HR: Expand Role of Contingent Worker user profile option is set to Yes.)
5. By default, the first assignment entered is the primary assignment, and the Primary box is automatically checked. If you are now entering a secondary assignment, you must ensure that the Primary box is unchecked.

Check the Primary check box to update a secondary assignment to Primary.

See: *Changing Primary Assignments, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*

6. If you use Oracle Services Procurement to provide purchase order information for contingent worker assignments, the purchase order line may include the projected assignment end date. In this case, the date appears in the Projected Assignment End

field. Otherwise, enter the projected end date of the assignment.

**Note:** You can enter the Projected Assignment End field for contingent workers only. This field is disabled for employees.

**To enter special ceiling information for an employee:**

A special ceiling progression point is the highest point to which the Increment Progression Points process can automatically progress the employee.

1. Choose the Special Ceiling tabbed region.
2. Enter a special ceiling only if the employee is assigned to a grade, and if a grade scale is defined for this grade. This special ceiling overrides the ceiling defined for the grade scale.

**To enter a billing title for an employee or contingent worker (Oracle Projects only):**

1. Choose the Project Information tabbed region.

**Note:** The Project Information tabbed region displays only if you have installed Oracle Projects.

2. Enter a billing title. The information you enter in the Billing Title field serves as the default title on project customer invoices. You can override this information using Project Accounting.
3. Enter a project title.

**To enter grade ladder information for an employee:**

You must enter grade ladder information to use the Grade/Step Progression process.

1. Choose the Grade Ladder tabbed region.
2. Select the grade ladder for this assignment. If you selected a grade for this assignment previously, all the grade ladders that use that grade are available. If you have not selected a grade, all the active grade ladders in your enterprise are available.

**To enter bargaining unit and union membership information for an employee:**

1. Choose the Bargaining Unit tabbed region.

2. Enter a bargaining unit code for your employee's assignment. This is usually the legally recognized collective negotiating organization.

**Note:** You set up your different bargaining units as values for the Lookup type BARGAINING\_UNIT\_CODE

3. Select whether the employee associated with the assignment is a member of a union.

### **To enter employment terms for an employee:**

1. Choose the Employment Terms tabbed region.
2. Select the contract to be referenced by the assignment. The list of contracts is limited to those entered for the employee that have start dates on or before the assignment start date.

**Note:** If you are a German public sector user, selecting a contract defaults some values, for example pay grade, from the contract into the assignment. If you want to amend these values you must change them on the contract as you cannot update them in this window.

3. Select the agreement grade structure for the collective agreement. A window shows the grade factors for that grade structure.
4. Enter values for the grade factors. Or, choose the Combinations button and enter search criteria for one or more grade factors to display the reference grades that meet those criteria.

If you enter values directly into the grade factor fields, they must correspond to an existing reference grade unless the Override Allowed check box in the Agreement Grades window is checked.

**Note:** Any new combinations of values that you enter are unavailable for reuse with other assignments. To reuse a combination, you must define it as a reference grade in the Agreement Grades window.

# Workforce Reporting

## Reporting on the Workforce

You can use the following workforce reports for South Africa:

- Employment Equity Reports, page 2-30
- Workplace Skills Plan and Annual Training Reports, page 2-37

## Employment Equity Reports

The Employment Equity reports feature includes the following steps:

- Setting Up Employment Equity, page 2-30
- Setting Up User Tables, page 2-32
- Running the Termination Category Setup Process, page 2-31
- Running the Employment Equity Workforce Profile Report, page 2-34
- Running the Employment Equity Templates, page 2-35
- Running the Employment Equity Income Differential Report, page 2-35

## Setting Up Employment Equity

Oracle HRMS for South Africa enables you to record employment equity information about the people in your enterprise and to report on this information.

You must perform the following setup steps before you can run the Employment Equity Reports.

### To set up employment equity:

1. Define the grade, position and/or job key flexfield structure that you will use to hold employment equity information for your enterprise.

You must define a flexfield segment for Occupational Levels on one of the above key flexfields.

**Note:** You must assign the predefined valueset, PER\_ZA\_OCCUPATIONAL\_LEVELS, on the Occupational Level



segment on the key flexfield that you choose.

See: *Defining Key Flexfield Structures, Oracle HRMS Configuring, Reporting and System Administration Guide*

2. Define the grade, job or position information.

See: *Defining a Grade, Oracle HRMS Enterprise and Workforce Management Guide*, *Defining a Job, Oracle HRMS Enterprise and Workforce Management Guide*, and *Defining a Position, Oracle HRMS Enterprise and Workforce Management Guide*

3. Enter the employment equity information for the organization.

See: *GRES/Legal Entities: Entering Tax and Employment Equity Information*, page 1-39

4. Ensure all assignments have a legal entity selected on the Further Assignment Information flexfield.

**Note:** Assignments with no legal entity selected will be excluded from the Employment Equity reports.

See: *Assignment Extra Information Types*, page 2-7

5. Run the Termination Category Setup Process, page 2-31.

6. Set up the user tables for the Employment Equity Reports.

See: *Setting Up User Tables*, page 2-32

You can now run the Employment Equity reports:

- *Employment Equity EEA4 Report (PDF)*, page 2-35
- *Employment Equity Templates (PDF)*, page 2-35
- *Employment Equity Workforce Profile (PDF)*, page 2-34

## Running the Termination Category Setup Process

You only need to run this process once as part of your Employment Equity and UIF setup. The Termination Category Setup Process updates the:

- `ZA_TERMINATION_CATEGORIES` table with the values in the `LEAV_REAS` lookup type.

Before you run this process, you must enter the leave reasons for your enterprise into the `LEAV_REAS` lookup.

See: Adding Lookup Types and Values, *Oracle HRMS Configuring, Reporting and System Administration Guide*

You run this process from the Submit Request window.

### **To run the Termination Category Setup Process:**

1. In the Name field, select Termination Category Setup Process.
2. Choose the Submit button.

If you need to enter further leave reasons after you have run this process, you must enter them into the ZA\_TERMINATION\_CATEGORIES user table. The leave reasons you enter here will automatically appear in the LEAV\_REAS lookup.

**Warning:** If you enter leave reasons into the LEAV\_REAS lookup after you have run this process, they will not appear in the ZA\_TERMINATION\_CATEGORIES user table. They will also not be reported correctly in the Employment Equity Reports and Electronic UIF File.

See: Entering Table Values, *Oracle HRMS Configuring, Reporting and System Administration Guide*

## **Setting Up User Tables**

You set up these tables as part of the Employment Equity and the Electronic UIF file setup process.

### **Setting Up the Occupational Types Table**

Oracle HRMS for South Africa references this table to see which key flexfield and segment you have set up to store Occupational Level Information. You set up the Occupational Types Table using the Table Values window.

### **To set up the ZA\_OCCUPATIONAL\_TYPES table:**

1. Query the ZA\_OCCUPATIONAL\_TYPES table.
2. In the Column region, select Flexfield in the Name field.
3. In the Values region, enter the Occupational Level details:
  - Select Occupational Level in the Exact field.
  - In the Value field, enter the Job, Grade, or Position flexfield that holds the Occupational Level.

4. In the Column region, select Segment in the Name field.
5. Enter the Occupational Level details:
  - Select Occupational Levels in the Exact field.
  - In the Value field, enter the segment number associated with Occupational Levels in the flexfield structure.

**Note:** You enter the segment number as, for example, SEGMENT1. Your entry must be exact with regard to case and spacing.

6. Save your work.

### **Setting Up Values for the Termination Categories Table**

You do this using the Table Values window.

#### **To set up values for ZA\_TERMINATION\_CATEGORIES:**

1. Enter your effective date.
2. Query the ZA\_TERMINATION\_CATEGORIES table.
3. In the Column region, select Lookup Code in the Name field.
4. In the Values region, enter the termination reason details:
  - Select a termination reason in the Exact field.
  - Enter a lookup code for this reason in the Value field. Repeat this for each termination reason.
5. In the Column region, select Termination Category in the Name field.
6. In the Values region, select a termination reason in the Exact field. Terminations are reported based on the occupational Levels.

Enter the termination category into the Value field to map the termination reason to one of the legislative employment equity termination categories. Repeat this until each termination lookup type code is mapped to one of the legislative termination categories.

**Warning:** You must enter the categories, otherwise the Employment Equity Workforce Profile report will not report terminations correctly.

7. Save your work.
8. In the Column region, select UIF Employment Status in the Name field.
9. In the Values region, select a termination reason in the Exact field.  
Enter an employment status into the Value field to map the termination reason to one of the legislative UIF 'termination' employment statuses:
  - Deceased
  - Retired
  - Dismissed
  - Contract Expired
  - Resigned
  - Constructively Dismissed
  - Employer's InsolvencyRepeat this until each termination lookup type code is mapped to one of the legislative UIF 'termination' employment statuses.
10. Save your work.

## Running the Employment Equity Workforce Profile Report

The Employment Equity Workforce Profile report reports on information such as employment policies, practices, procedures and the working environment of your enterprise. The aim of this report is to identify if there is a degree of under-representation of people from designated groups in various occupational levels.

**Note:** Only active employees are reported in Table 1.1 and 1.2 of Section B. An active employee is an employee who is still employed as at the last day of the period for which the EEA2 is being submitted.

You run the Employment Equity Workforce Profile report from the Submit Request window.

### **To run the Employment Equity Workforce Profile (PDF):**

1. Select Employment Equity Workforce Profile (PDF) in the Name field.
2. Enter the Report Date.

The date you enter here determines the reporting period, which is the twelve months immediately preceding this date. For example, if the report date is 10-APR-2021, the reporting period will be 11-APR-2020 to 10-APR-2021.

3. Select the Legal Entity.

**Note:** The legal entity parameter is Optional. If you leave this blank then a report is produced for each Legal Entity in your business group.

4. Enter the Report Submission Date.
5. Choose the Submit button.

## Running the Employment Equity Templates

The Employment Equity Templates form part of the Employment Equity Workforce Profile report. The templates are different to the other employment equity reports as they require you to print them out and complete manually.

You run the Employment Equity Templates from the Submit Request window.

### To run the Employment Equity Templates (PDF):

1. Select Employment Equity Templates (PDF) in the Name field.
2. Choose the Submit button.
3. Print the templates out and complete manually.

The templates you complete manually are:

- Section E: Numerical Goals and Targets
- Section F: Monitoring and Evaluation
- Section G: Signature of the Chief Executive Officer / Accounting Officer

## Running the Employment Equity EEA4 Report (PDF)

The **Employment Equity EEA4 Report (PDF)** reports on the total remuneration received in each occupational level of an employer's workforce.

It also reports on the highest and lowest fixed and variable remuneration.

This report differs from the **Employment Equity Workforce Profile Report** as it regards each assignment as a separate person. If a person has two assignments they will be

included in the report twice.

You run the **Employment Equity EE4 Report (PDF)** from the **Submit Request** window.

**To run the Employment Equity EEA4 Report (PDF):**

1. Select **Employment Equity EEA4 Report (PDF)** in the Name field.
2. Enter the **Report Date** in the **Parameters** window.

The date you enter here determines the reporting period, which is the twelve months immediately preceding this date. For example, if the report date is 20-APR-2021, the reporting period, will be 21-APR-2020 to 20-APR-2021.

3. Select the **Legal Entity**.

**Note:** The legal entity parameter is Optional. If you leave this blank then a separate report is produced for each Legal Entity in your business group.

4. Enter the **Report Submission Date**.
5. Select the **Salary Calculation Method**.

The remuneration methods are:

- **Payroll Balance Method:** This method uses the start and end dates of the reporting period to sum run results of the new balances referred to below, and annualize if required, to reach the assignment's annual income. This method is for payroll users only.
- **Remuneration Element Method:** This method reports the amount in the Remuneration Input Value field on the ZA Employment Equity Fixed Remuneration element and amount in the Remuneration Input Value field on the ZA Employment Equity Variable Remuneration element in the appropriate sections of the EEA4.

**Note:** No annualization takes place in this method. You must enter the annual remuneration earned by employees employed for the full reporting period and the annual equivalent for employees employed for part of the reporting year.

6. Click **OK** and **Submit**.

# Workplace Skills and Annual Training Reports

## Workplace Skills Plan and Annual Training Reports

You generate and submit Workplace Skills and Annual Training Reports annually to your SETA.

This feature includes the following steps:

- Setting Up Data for Workplace Skills Plan Processes, page 2-37
- Setting Up Workplace Skills Plan Set Up And Maintenance Process, page 2-39
- Running the Workplace Skills Plan Set Up and Maintenance Process , page 2-41
- Running The Workplace Skills Plan Preprocess, page 2-42
- Running the Workplace Skills Plan Report, page 2-42

## Setting Up Data for Workplace Skills Plan Processes

Before you run the Workplace Skills Plan processes, you must perform each of the following setup activities:

- Add contexts, ZA\_WSP\_SKILLS\_PRIORITIES and ZA\_WSP\_OCCUPATIONAL\_CAT, to the Common Lookups flexfield
- Set up data for Employer, SDF, and NQF SETA Details

### **To add the ZA\_WSP\_SKILLS\_PRIORITIES context to the Common Lookups flexfield:**

1. Use the Application Developer Responsibility to navigate to the Flexfield window. Click Segments in the Descriptive option.
2. Query for the Flexfield Title, Common Lookups.
3. Create a context with the following details:  
Context Name: ZA\_WSP\_SKILLS\_PRIORITIES  
Code: ZA\_WSP\_SKILLS\_PRIORITIES  
Description: ZA Workplace Skills Plan Priorities
4. Create the Segments for this context, which will be mapped to the prioritized skills. You can use a maximum of 15 available attribute columns to define 15 segments.

Segment Name: Priority Name x (eg. Priority Name 1)

Window Prompt: Priority Name x (eg. Priority Name 1)

Column: ATTRIBUTEi (eg. ATTRIBUTE1)

Value Set: PER\_ZA\_WSP\_PRIORITY

**Note:** Replace x with a number between 1 and 15

### **To add the ZA\_WSP\_OCCUPATIONAL\_CAT context to the Common Lookups flexfield:**

1. Use the Application Developer Responsibility to navigate to the Flexfield window. Click Segments in the Descriptive option.
2. Query for the Flexfield Title, Common Lookups.
3. Create a context with the following details:  
Context Name: ZA\_WSP\_OCCUPATIONAL\_CAT  
Code: ZA\_WSP\_OCC\_CAT  
Description: Workplace Skills Plan Occupational Categories
4. Create a Segment for this context, which will be mapped to the Employment Equity Occupational Categories  
Segment Name: Emp Eqty Occ Cat  
Window Prompt: Emp Eqty Occupational Category  
Column: ATTRIBUTE1  
Value Set: PER\_ZA\_EMP\_EQ\_OCCUPATIONAL\_CAT

### **To set up data for SDF, Employer, and NQF SETA Details:**

You need to enter the data for Skills Development Facilitator (SDF), Employer Contact Details, and NQF SETA Information. The sections A (1) and B (1) of the Workplace Skills Plan and Annual Training Report display this data.

1. Enter the contact details of the Skills Development Facilitator in the Additional Organization Information flexfield, ZA SDF Information. This flexfield is stored in GRE / Legal Entity.
2. Enter the contact details of the Legal Entity (Employer) in the Additional Organization Information flexfield, ZA Legal Entity Info. This flexfield is stored in GRE/Legal Entity
3. Enter the information for the SETA name and Main Business Activity (SIC Code)



for the A (1) and B (1) section of the report in the Additional Organization Information flexfield, ZA NQF SETA Information.

Enter the SETA name and Main Business Activity (SIC Code) in the Additional Organization Information flexfield, ZA NQF SETA Information. This flexfield is stored in HR Organisation.

## Setting Up Workplace Skills Plan Set Up And Maintenance Process

The Workplace Skills Plan Set Up and Maintenance process allows you to setup and maintain information that is needed to produce the Workplace Skills Plan and Annual Training reports. It allows you to create, maintain, or refresh the information on Legal Entities for Skills Priorities, Learning Interventions prioritization (Training Event Lookups (ZA\_WSP\* and ZA\_ATR\*)) and Occupational Categories for a particular Grant Year.

You need to perform the following steps to setup the process:

### To set up the Workplace Skills Plan Set Up and Maintenance Process:

1. **Maintain Legal Entities for Skills Priorities** - You run the Workplace Skills Plan Set Up and Maintenance process with the request type, Maintain Legal Entities for Skills Priorities to populate the user columns of the pre-defined user-defined table, ZA\_WSP\_SKILLS\_PRIORITIES, with the legal entities within that business group. The columns of the user-defined table are in the format, < Legal Entity Id >\_< Legal Entity Name>.
2. **Define Strategic Skills Priorities** - Create Strategic Skills Priorities rows for all your Legal Entities in the ZA\_WSP\_SKILLS\_PRIORITIES user table; date tracked as applicable to the Grant Years they apply to.
3. **Link Skills Priorities to Applicable Legal Entities** - Select the relevant strategic skills priorities for each legal entity in the Table Values window. These entries must be date-tracked according to the Grant Years they apply to

**Note:** Legal Entities cannot share Skills Priorities defined in the ZA\_WSP\_SKILLS\_PRIORITIES user table. This will cause the report to always include a prioritized learning intervention in Tables A(2) and B(2) when a person has been subscribed to such learning intervention, irrespective of the Legal Entity the person belongs to. You must, therefore, ensure that you define separate Skills Priorities for each Legal Entity and link them as described.

4. **Maintain Occupational Categories Lookups** - Run the Workplace Skills Plan Set Up and Maintenance process with the request type, Maintain Occupational Categories lookups to set the attribute category of the lookup values of

ZA\_WSP\_OCCUPATIONAL\_CATEGORIES to ZA\_WSP\_OCC\_CAT.

This ensures that the flexfield is enabled on the Application Utilities Lookups window for the ZA\_WSP\_OCCUPATIONAL\_CATEGORIES lookup, so that any SETA specific occupational categories can be mapped to the official Employment Equity Occupational Categories.

5. **Map SETA Specific Occupational Categories to Employment Equity Categories -**  
Map the occupational categories entered in the ZA\_WSP\_OCCUPATIONAL\_CATEGORIES lookup to the official Employment Equity Occupational Categories used in the Employment Equity Reports as follows:
  1. Open the "ZA\_WSP\_OCCUPATIONAL\_CATEGORIES" lookup.
  2. Select a relevant lookup value, open the flexfield and select the official Employment Equity Occupational Category that you want to map to the SETA specific occupational category.
  
6. **Maintain Training Event Prioritization Lookups -** You run the Workplace Skills Plan Set Up and Maintenance process with the request type, Maintain Training Event Prioritization Lookups, to populate the Planned and Completed Training Event lookups (ZA\_WSP\* and ZA\_ATR\*) with the valid learning interventions for the given Grant Year.

The attribute category of all the lookup values in the eight lookups is set to ZA\_WSP\_SKILLS\_PRIORITIES. This ensures that the flexfield is enabled on the Application Utilities Lookups window for the ZA\_WSP\_SKILLS\_PRIORITIES lookup, so that Strategic Skills Priorities can be mapped to the applicable Learning Interventions in the Planned and Completed Lookups.

Valid Learning Interventions

Valid learning interventions/programmes are

- Those that have been planned in line with strategic priorities for the duration of a Grant Year – Tables A(2) and A(3) of the report.
  - Only interventions for which attendance by beneficiaries have actually been booked for the given Grant Year in the Oracle Learning Management system, are reported on
  
- Those that have been attended in line with strategic priorities for the duration of a Grant Year – Tables B(2) and B(3) of the report
  - Only interventions that have actually been attended by beneficiaries (Oracle Learning Management Learning Paths, Courses or Certificates), or which have been achieved (HR Competencies, Qualifications) during the Grant Year, are reported on.

7. **Map Skills Priorities to Applicable 'Planned' and 'Completed' Learning Interventions** - Specify Strategic Skills Priorities (max = 15) ONLY for those learning interventions that are planned or completed in line with each of these strategic priorities for the duration of the Grant Year. This ensures that the number of training events are reported correctly in table A(2) / B(2) of the report.

Map the Strategic Skills Priorities to the applicable Learning Interventions in the Planned and Completed Lookups on the Common Lookups descriptive flexfield. Do this for each of the following seeded lookup values, that were populated by the Workplace Skills Plan Set Up and Maintenance process (with the request type, Maintain Training event Prioritization Lookups):

1. ZA\_WSP\_CERTIFICATIONS
2. ZA\_WSP\_COURSES
3. ZA\_WSP\_LEARNING\_PATHS
4. ZA\_ATR\_CERTIFICATIONS
5. ZA\_ATR\_COURSES
6. ZA\_ATR\_LEARNING\_PATHS
7. ZA\_ATR\_COMPETENCIES
8. ZA\_ATR\_QUALIFICATIONS

## Running the Workplace Skills Plan Set Up and Maintenance Process

You run the Workplace Skills Plan Set Up and Maintenance Process from the Submit Requests window.

### To run the Workplace Skills Plan Set Up and Maintenance Process from the Submit Requests:

1. Select the request type.
2. Select the grant year.
3. Select the mode.

There are four modes to run the concurrent program with the request type, Maintain Training Event Prioritization Lookups.

- Create
- Refresh after new training events scheduled

- Copy Planned to Completed training events
  - Copy Planned to Planned and Completed to Completed events
4. When you select the Copy Planned to Completed training events or Copy Planned to Planned and Completed to Completed events option in the Mode field, the Copy from Year and Update field is enabled.
  5. Specify if the training event is planned or completed.

## Running The Workplace Skills Plan Preprocess

The Workplace Skills Plan Preprocess archives the following data: Employer and Skills Development Facilitator(s) Details, Annual Skills Priorities, Proposed Beneficiaries, Education and Training programmes provided and Beneficiaries who have received training.

This data is archived for a particular Grant Year for a particular Legal Entity or for all Legal Entities within the Business Group.

The tables A(2) and B(2) report the learning interventions per strategic skills priorities.

**Note:** Where a learning intervention has another prioritized learning intervention linked to it, the basic learning intervention that has been linked inherits the strategic skills priority.

You run the Workplace Skills Plan Preprocess concurrent program in the Submit Request window

### To run the Workplace Skills Plan Preprocess:

1. Select the required legal entity.
2. Select the required grant year.

## Running the Workplace Skills Plan Report

The Workplace Skills Plan Report process generates the Workplace Skills Plan and the Annual Training Report in .pdf format

You run the Workplace Skills Plan Report concurrent program from the Submit Requests window.

### To run the Workplace Skills Plan Report:

1. Select the required preprocess. This is a mandatory field.

2. Select the legal entity, if you have not selected it while running the preprocess.
3. Select the template name. The default template is Workplace Skills Plan Report (Eng).



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# Talent Management

## Talent Management Overview

Talent Management is essentially the management of worker competencies to meet enterprise objectives. Oracle HRMS, Oracle SSHR, and Oracle Learning Management (OLM) each supply key components of the Talent Management functionality. For many talent-management tasks, you can use either the Oracle HRMS forms-based interface or the SSHR interface.

## Oracle HRMS and Talent Management

The Oracle HRMS Talent Management functionality encompasses competency management, career paths, education and qualifications, events, and reviews.

## Competency Management

Competencies are measurable skills a workforce either has or must develop to meet enterprise objectives. The Oracle HRMS competency management functions enable you to:

- Define a library of competencies or upload competency definitions from third-parties. You can use such definitions throughout the enterprise to ensure consistency of approach.
- Identify each worker's competencies in a competency profile.
- Measure competencies using either general rating scales or proficiency scales that are specific to the competency.
- Define the competency requirements of a business group, organization, job, or position.
- Define core competencies for a business group or organization. All workers in the

business group or organization must have its core competencies.

- Link competencies to qualifications.

## **Career Paths**

You can define career paths based on either job progression or position progression. You define job-based career paths using the Oracle HRMS Map Career Path function. For position-based career paths, you use new or existing position hierarchies.

## **Education and Qualifications**

The Education and Qualifications functions enable you to:

- Identify the educational and professional qualifications your enterprise recognizes.
- Identify the educational establishments that deliver recognized qualifications.
- Record qualifications obtained by each worker.

## **Events and Reviews**

You can set up an event, such as a training course or departmental meeting, and identify employees who are to attend the event. You use this functionality for scheduling training courses only if you are not using Oracle Learning Management.

You can record information about any employee review meeting, such as a performance review, disciplinary hearing, or medical test, using the Employee Review function.

## **Work Preferences**

You can enter work preferences (such as preferred work locations and work hours) for an individual in the Oracle HRMS Work Preferences window.

## **Oracle SSHR and Talent Management**

Managers, HR professionals, and employees can access talent-management functions using SSHR.

## **Competency Profile**

Managers can use the self-service Competency Profile function to update the competency profiles of their subordinates. Employees can use this function to update their own competency profiles.

## **Suitability Matching**

Managers and HR Professionals can use the self-service Suitability Matching function to find a person for a work opportunity or a work opportunity for a person. The process



uses factors such as a person's current role, a person's competency levels (as defined in their competency profile), and succession plans in identifying candidates and opportunities. Employees can use this function to find opportunities suited to their competency levels.

### **Succession Planning**

The Succession Planning functionality enables managers to plan for future vacant positions by identifying possible successors for employees, jobs, and positions.

### **Education and Qualifications**

Managers can use the self-service Education and Qualifications function to update records of educational qualifications obtained by their subordinates. Employees can use this function to update their own records.

### **Other Professional Qualifications**

Managers can use the self-service Other Professional Qualifications function to update records of professional qualifications obtained by their subordinates. Employees can use this function to update their own records.

### **Events and Bookings**

Managers can use the self-service Event and Bookings function to create events and event bookings for their subordinates. Employees can use this function to create events and event bookings for themselves.

### **Employee Reviews**

Both managers and employees can use the self-service Employee Review function to set up review meetings and invite reviewers to attend.

### **Work Preferences**

Managers can use the self-service Work Preferences function to enter work preferences (such as preferred work locations and work hours) for a subordinate. Employees can use this function to enter their own work preferences.

**Note:** The purchase of a Self-Service HR license on or after June 18th, 2007 does not permit the use of Oracle Performance Management. You must purchase a separate Oracle Performance Management license in addition to an Oracle Self-Service HR license to use the Appraisals, Questionnaire Administration, and Objectives Management self-service functions.

See: Oracle Performance Management Overview, *Oracle Performance Management Implementation and User Guide*

## Oracle Learning Management (OLM) and Talent Management

Oracle Learning Management (OLM), formerly Oracle Training Administration, is a complete system for the definition and delivery of training. OLM is tightly integrated with the talent-management functionality of HRMS. For example:

- When a learner completes a class, OLM can automatically update the learner's competency profile with the competencies and competency levels delivered by the class.
- An appraisal can include a learning path, which identifies classes to be taken by the appraisee.

Oracle Learning Management requires a separate license.

See: Introduction to Oracle Learning Management, *Oracle Learning Management User Guide*

## Reporting in Talent Management

The Talent Management functions together provide over 50 standard and HRMSi reports. These reports extract and present talent-management-related information about the individual and the enterprise.

See Reports and Processes in Oracle HRMS, *Oracle HRMS Window Navigation and Reports Guide*

## Talent Management Key Concepts

For more information about the Talent Management functions, see:

- Career Paths, *Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*
- Competencies Overview, *Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*
- Competency Profiles, *Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*
- Event and Attendance Administration, *Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*
- Qualification Types, *Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*
- Suitability Matching, *Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*

- Succession Planning, *Oracle Self-Service Human Resources Deploy Self-Service Capability Guide*

Oracle Performance Management is a separately licensed product. You must purchase a separate Oracle Performance Management license in addition to an Oracle Self-Service HR license to use the Appraisals, Questionnaire Administration, and Objectives Management functions.

See: Oracle Performance Management Overview, *Oracle Performance Management Implementation and User Guide*

## Talent Management Requirements

Oracle HRMS enables you to define all the components of a talent management system to meet the needs of your enterprise.

Oracle Performance Management is a separately licensed product. You must purchase a separate Oracle Performance Management license in addition to an Oracle Self-Service HR license to use the Appraisals, Questionnaire Administration, and Objectives Management functions.

See: Oracle Performance Management Overview, *Oracle Performance Management Implementation and User Guide*

## What are the advantages of the competency functions?

The Oracle HRMS competency functions enable you to:

- Identify and measure consistently the knowledge, skills, and behavior displayed by your workers across the enterprise.
- Speed the deployment process within your enterprise and reduce recruitment costs. You can identify and select workers and applicants on a common basis and match them with opportunities that arise across the whole enterprise. This ensures that an able candidate is not rejected because of a mismatch for one vacancy when other suitable vacancies exist.
- Ensure your enterprise meets its business goals. You do this by linking the competencies held by your workers into the competencies required to meet the business goals of your enterprise.

## Can I perform competency evaluation during appraisals?

Yes. Oracle HRMS's highly configurable web interface enables you to perform competency-based evaluation as part of the appraisal process. You create appraisal templates, which can include competency assessment templates, to define the structure of the appraisal.

## Can I define my enterprise's career paths in Oracle HRMS?

Yes. Oracle HRMS enables you to define career paths based on either job progression or position progression. You use the model that best reflects the structure of your enterprise.

## Can I link competencies to qualifications?

Yes. You can link a person's acquisition of competencies to their achievement of formal qualifications, typically awarded by external, nationally recognized bodies. Such competencies have well defined performance standards that an assessor uses to determine whether a person has achieved a competency. Thus, you can measure workforce competencies against both enterprise *and* industry or national standards. You can encourage your workforce to acquire such qualifications by developing related competencies, thereby improving the enterprise skill base.

## How can I use the suitability function in my enterprise?

Managers and HR Professionals can use the self-service Suitability Matching function to find a person for a work opportunity or a work opportunity for a person. The process uses factors such as a person's current role, a person's competency levels (as defined in their competency profile), and succession plans in identifying candidates and opportunities. Employees can use this function to find opportunities suited to their competency levels.

## How can I use Oracle Learning Management (OLM) to help with talent management?

OLM enables you to record the competencies that a course is expected to deliver. You can then use this information to update the competency profiles of the learners who have attended a class.

**Important:** This software should not be used as the sole method of assessment for making judgements about hiring, performance, or deployment. Your company may be held liable if you rely on incorrect computer data or computerized rules to make such judgements.

It is the customer's responsibility to take all appropriate measures to comply with the Data Protection and Privacy laws of the countries in which they operate.

All personal information that you store or use with this software must be up to date, accurate and relevant. You should confirm the details of the restrictions that apply to the computerized storage and use of personal information with your own legal department or representative.

## Can I use HRMS Intelligence to investigate and monitor career management?

Yes. HRMS Intelligence Reports and Discoverer Workbooks enable you to investigate competencies, proficiencies, appraisal activity, and training in your enterprise. You can use HRMS Intelligence to answer business questions such as:

**Additional Information:** See also My Oracle Support Knowledge Document 2277369.1, *Oracle E-Business Suite Support Implications for Discoverer 11gR1*.

- Who has the required competencies for the job?
- How quickly can I improve the skills of a group of people, and at what cost?
- How do a worker's competencies compare with those required by a particular job?
- Do my employees need more training?

## I need to enter competency information from a third-party skills vendor. How can I do this efficiently?

You can quickly and efficiently load competency details from a third-party skills vendor directly into Oracle HRMS using Web Applications Desktop Integrator (Web ADI). Web ADI enables you to manipulate and upload competency information, such as rating scales, rating levels, and competencies, from a text file or spreadsheet into the application. This means you can automatically load data into the application without having to enter the details individually.

See: *Uploading Third-Party Competency Information, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*

## Setting up NQF SETA and Skills Development Levy Information

You enter National Qualifications Framework (NQF) Sector Education and Training Authority (SETA) information to indicate the SETA to whom your organization pays its Skills Development Levy. This information is required for the Skills Development Levy calculation and report.

### To set up NQF SETA and Skills Development Levy Information:

1. Set up the NQF SETA user table.  
Setting Up the NQF SETA User Table, page 3-8
2. Enter the NQF information for your organization.

## Setting Up the NQF SETA User Table

You enter National Qualifications Framework (NQF) Sector Education and Training Authority (SETA) information to indicate the SETA to whom your organization pays its Skills Development Levy contribution. This information is required for the Skills Development Levy calculation and report.

### Setting Up User Table Rows

You do this using the Table Structures window.

#### To set up user table rows:

1. Change your effective date if required.
2. Query the ZA\_NQF\_SETA\_INFORMATION table.
3. Choose the Rows button. The value Exempt is displayed.
4. Add relevant SETA names to the Exact column.
5. Save your work.

### Setting Up User Table Values

#### To set up user table values:

You do this using the Table Values window.

1. Change your effective date if required.
2. Query the ZA\_NQF\_SETA\_INFORMATION table.
3. In the Column region, select ID in the Name field.
4. Enter the SETA details in the Values region:
  - Select the SETA name in the Exact field.
  - Enter the two-digit SETA code in the Values field.
5. Save your work.
6. In the Column region, select Rate in the Name field.
7. Enter the SETA details in the Values region:

- Select the SETA name in the Exact field.
  - Enter the legislative rate for the SETA in the Values field.
8. Save your work.





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# Compensation and Benefits Management

## General Compensation Structures Overview

Using Oracle HRMS, you have all the flexibility you need to model your compensation and benefit packages. You decide exactly what information you want to hold for compensation management and, if you require it, for payroll processing.

This overview outlines the generic concepts and procedures for setting up compensation. However, there are additional considerations for salaries, absences and PTO accruals, benefit plans, collective agreements, and setting up earnings and deductions for payroll processing. These are covered in other areas.

## Elements: Define - Administer - Process

*Element* is an Oracle HRMS term for the components of a compensation and benefits package, such as salary, PTO accrual plan, and health plan. By defining elements, you can structure information relating to employees' compensation and benefits in a highly flexible way.

First, you define elements, then you administer and process them.

### Define

Definition includes rules about valid compensation values, who can receive the elements, and how they are processed. You define elements, and associated rules and formulas, as part of your Oracle HRMS implementation. You can define new elements and make certain changes to existing definitions at any time.

### Administer

When definition is complete, you administer compensation and benefits by making element entries for your employees. You can quickly record earnings, deductions, time worked and other information by entering elements in batches.

## Process

You process earnings and deductions by running payrolls. The payroll run automatically uses the calculations you have written as formulas, and uses other rules (such as processing frequency) that you have defined.

## Compensation Objects

For most benefits and some types of compensation, you define compensation objects as well as elements. You can define a hierarchy of compensation objects, optionally starting with *programs* at the highest level, to represent a package of benefits you offer, followed by plan types, plans, and options. A *plan type* is a category of plans, such as a medical plan type. A *plan* is a specific offering, such as a bonus or a dental plan, and an *option* is an electable choice within a plan, such as 1 x Salary.

If you use SSHR, defining compensation objects enables you to delegate tasks such as the allocation of salary increases or bonuses to line managers, by issuing budgets. Employees can use self-service to enter voluntary contributions, such as savings plans, or charitable donations. They can also manage their own enrollments in benefit plans, while the back-office maintains control of the plan's administration.

If you use iRecruitment, defining compensation objects enables your hiring or line managers to assign benefits components to eligible applicants when they create or update offers. For example, you can set up plans such as car and relocation.

To speed up implementation, you can use Plan Design Copy to copy a plan or program and all its associated definitions, then you can configure these to create a new plan or program.

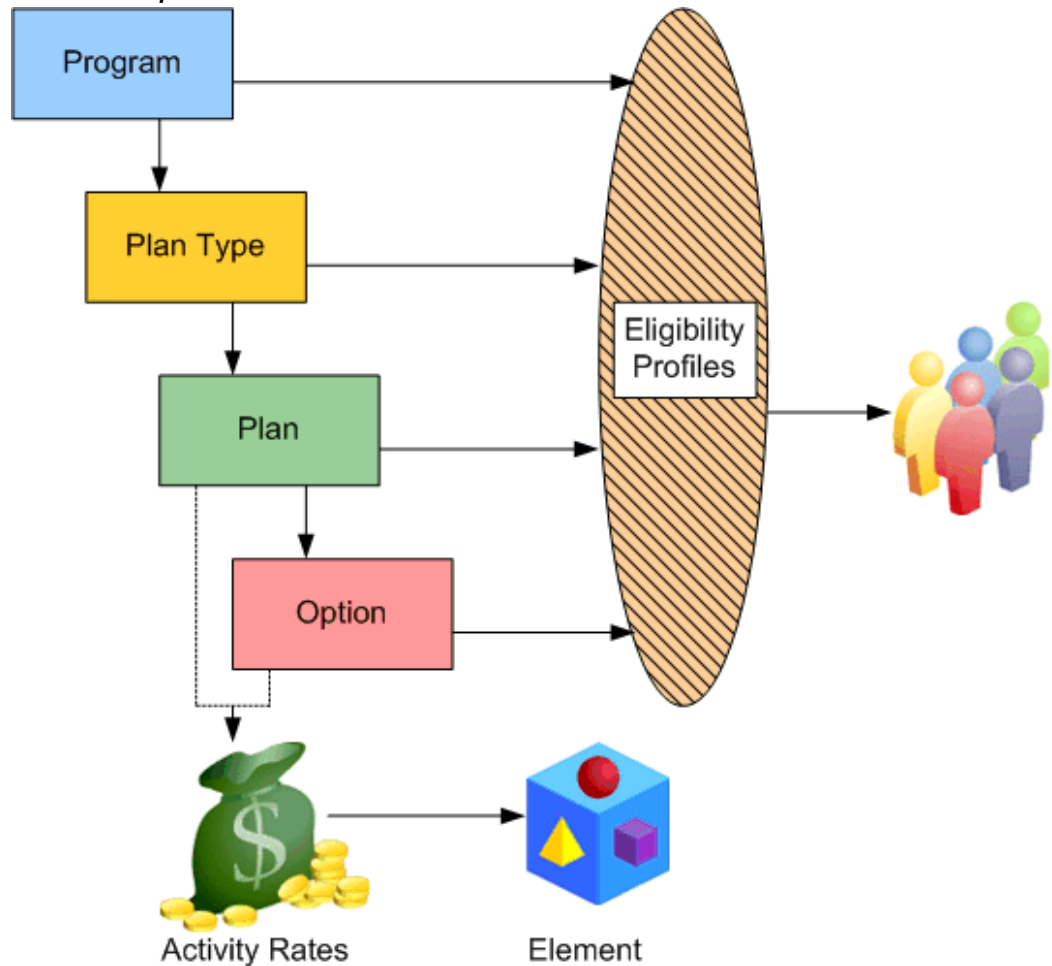
## Eligibility Profiles

If you have defined compensation objects, you manage participation by defining eligibility profiles and attaching them to the appropriate level of the hierarchy. You can define several profiles for each object, and each profile can contain both required and optional criteria. For example, the profile could specify that eligible employees must work full time, and either have been employed for at least two years, or be assigned to a manager grade.

## Activity Rates

You can attach any number of activity rates to a plan or option to specify the contributions made by employee and employer, or the distributions, such as compensation awards. When you define an activity rate, you can associate it with an element. Activity rates support a variety of calculation methods to determine how much a person pays or receives: flat amount, multiple of premium, multiple of elected coverage, and so on. When a participant enrolls in a plan, the enrollment process runs the calculation and enters the result on an element entry for the employee.

### General Compensation Structures



## Reporting On Compensation Data

Oracle HRMS includes a number of windows and reports for compensation data, such as the Salary Review Report, and the List Employees by Element window.

In SSHR, you can use the Compensation History page to view employee information such as salary changes, bonuses, stock options, monetary compensation grouped by year, ranking, jobs, and non-monetary compensation. If you use Compensation Workbench, this feature supplies several reports for salary changes, bonuses, and stock options.

Oracle HRMS also includes some Discoverer Workbooks to enable you to analyze salary information by organization, supervisor, and job, comparing with grade rate values where appropriate.

**Additional Information:** See also My Oracle Support Knowledge Document 2277369.1, *Oracle E-Business Suite Support Implications for Discoverer 11gR1*.

See: General Compensation Structures -- Reports, *Oracle HRMS Configuring, Reporting, and System Administration Guide*

Using System Extract, you can define interfaces to extract compensation data for reporting or transfer to third parties. Oracle HRMS supplies predefined extracts that you can use or configure. See: HR/Payroll Extracts, *Oracle HRMS Configuring, Reporting, and System Administration Guide*.

## Key Concepts

To get the most out of the compensation and benefits functionality of Oracle HRMS, you need to understand the following key concepts:

- Elements
- Input values
- Element links
- Element classifications
- Element entries
- Plan design
- Eligibility profiles
- Activity rates

## General Compensation Structures

### What kinds of compensation information can you record?

All kinds, depending on how much information you require. You decide what types of compensation and benefits you want to track, the information you need to hold for each type, and the rules that determine who receives the compensation and how often it is paid.

### Can you monitor the costs of compensation policies?

Yes, you can allocate labor costs to particular departments, products, or projects. You

can enter default cost centers for organizations and employees, then override these, if required, when you enter timecard data.

### **How can you review the effectiveness of compensation packages?**

You can compare salaries and other compensation for any groups of employees, for example grouped by organization, position or grade. You can break down salary changes into components, such as Cost of Living, Location Adjustment, or Promotion, to identify any performance-related increases. You can also associate salary changes with performance reviews.

Using HRMS Intelligence, you can compare salary trends, manpower changes, and group skills analyses.

### **What happens when you need to change compensation policies?**

With DateTrack you can make future-dated changes to your information safe in the knowledge that these changes will not become effective in the system until the correct date.

In this way you can use your compensation and benefit information to plan changes ahead of time; analyze the impact of these changes; adjust these changes and generally smooth out the workload that is often associated with major changes in compensation and benefits policy.

### **How do you manage individual salary packages?**

You can define salaries for groups of employees, with default values and validation rules if you require them, and enter individual salary changes for employees at any time. You can associate salary changes with the results of performance reviews, and you can show the composition of any increase by components such as cost of living, and individual performance. You can enter proposed changes to take effect in the future and confirm these later with the click of a button.

### **What about grade-related pay?**

Oracle HRMS handles both pay rates that are directly related to grades, and rates on grade-related pay scales. To relate pay directly to grades, you can specify valid salary ranges or fixed pay rates for each grade. If your employees are paid from a pay scale (perhaps determined by collective agreement), you can associate each grade with several points on a pay scale.

### **How do you ensure employees receive the compensation dictated by a collective agreement?**

You can define entitlement items to represent the compensation and benefits that are subject to a collective agreement. You define an eligibility profile to determine who can

receive this entitlement item, and associate both with a collective agreement. Provided that an employee already has an element entry for the compensation or benefit, applying the collective agreement to the employee updates the entry to the values recorded in the collective agreement.

## What does Oracle offer for benefits administration?

We offer a choice, to match the varying complexity of benefits administration requirements.

The **Standard Benefits** feature set lets you define your benefits offering in a hierarchical manner, so that requirements you specify at the program level are inherited by the plans and options in that program. You can use a variety of factors, such as length of service, to define eligibility requirements for participation in a plan. The system supports centralized enrollment by benefit administrators or web-based self-service enrollments. Standard benefits is best for organizations that outsource a significant portion of their benefits administration. System extract features let you export data to third-party benefits administrators.

If you administer your own benefits, or your requirements include offering flexible benefit plans, you should implement **Oracle Advanced Benefits**. This provides the full solution for benefits management, including life event triggered enrollments and communications, online life event processing, processing of flexible spending account claims, and what-if eligibility analysis.

For US implementations, we also continue to offer **Basic Benefits**, which is a limited feature set that supports administration of benefit plans for employees and their dependents, including COBRA coverage.

## Can you be sure that compensation information remains confidential?

Yes, you can. Oracle HRMS security features enable you to choose which users can view compensation information, what types of compensation they need access to, which employees records they can see, and whether they are able to update them.

## Can you enter weekly timecard data?

Yes, using Batch Element Entry, you can enter timecard information for a group of employees, using default values as appropriate. You can validate your entries against system rules and external control totals before uploading it to the database in time for the payroll run.

## How does Oracle HRMS help reduce data entry errors?

There are three ways:

- By removing the need to make entries at all, when compensation entries are standard for a group of employees and can be entered automatically.

- By reducing keystrokes when you use Batch Element Entry to enter batches of entries.
- By validating all entries using rules you define at setup time.

### **Can you make one-time changes to entries?**

Yes. Some types of compensation or payment (such as expense reimbursements) need only be entered for the period to which they apply. For others, the regular value can be adjusted if you need a different value for one payroll run.

### **I'm entering compensation details for analysis but not for payroll processing. How do you reduce data entry work to a minimum?**

If the same compensation entry applies to a group of employees, the system can enter it automatically. You need to set up the element with *standard links*. Use Batch Element Entry to start or update other entries in batches.

You can download salary information to a spreadsheet, update it there, and upload the new information to the database.

### **Can you see a history of all compensation values for an employee over time?**

Yes, you can view all changes for one or more types of compensation. For salaries, you can also see new proposed salary changes.

### **How do you compare compensation for groups of employees?**

You can select employees by organization, job, position, or grade and view past and current salaries or new salary proposals. For other types of compensation, you can compare the latest values for all employees in any period of time you choose.

If you use grade rates, you can compare compensation entries for all employees on a certain grade, and also see these values as a percentage of the midpoint defined for the grade.

# Absence and Accrual Plan Administration

## Absence Recording

When you record an absence for an employee using the Absence Detail window or self-service, you must always select an absence type.

## Dates and Times

In the Absence Detail window you can conveniently record start and end dates and times of a particular type of absence, as well as the date you receive notification of the absence.

You can enter either projected or actual dates and times. When an actual absence occurs in accordance with projected absence information already entered, you record this by simply clicking a button.

Oracle HRMS records an employee's absences using the employee's payroll calendar, so all employees for whom you record absence information must have a payroll component in their primary assignment.

Some absence types are associated with nonrecurring elements. For these types, the absence is not recorded on the employee's element entries until you enter the absence end date. You cannot change the absence start date so that it is outside the original payroll period--you must delete the absence and create a new one.

**Note:** For Oracle Payroll users in some localizations: some absence types may be associated with recurring elements. For these types, the absence is recorded in element entries when you enter an actual start date. If you change the start date, the element entry is deleted and a new one created. When you enter or change the end date, the element entry's end date is date effectively updated.

## Absence Duration

To calculate the duration of an absence automatically, you can either use the schedule and calendar event features from Oracle HRMS and Common Application Components (CAC), or use a formula that calculates absence duration from the absence start and end dates.

For the first method, the application calculates the duration of the absence based on the worker's schedule and applicable calendar events for their primary assignment. To use these features, set the HR: Schedule Based Absence Calculation profile option to Yes.

You set up availability information such as shifts, schedules, and calendar events, and



assign them to various levels in your work structures.

See: *Setting Up Availability, Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*

For the second method, you write a formula to calculate absence duration from the start and end dates and times entered for an absence. Your localization team may have written a formula that the application uses by default.

See: *Writing Formulas To Calculate Absence Duration, Oracle HRMS FastFormula User Guide*

To control whether the formula automatically recalculates and overwrites the absence duration when a user updates the end date or time, set the user profile option HR: Absence Duration Auto Overwrite to Yes or No. For example, if you do want the duration to be updated when the end date changes, set the profile option to Yes.

When you enter an absence, the application warns you if:

- Duration is greater than the person's net entitlement recorded in a PTO accrual plan
- A decreasing absence balance becomes negative
- Duration is not equal to the value calculated by the absence duration formula. Or, if there is no absence duration formula, duration is not equal to <end date/time - start date/time>. Here, the application calculates the hours using the standard hours recorded for the assignment (or for the business group if the assignment contains no record).

## Authorization and Replacement

When recording a projected or actual absence in the Absence Detail window, you can select both the name of an employee authorizing the absence, and of an employee replacing the absent worker.

## Absence Cases

If an employee has multiple absences that result from the same cause or are associated in another way that you want to record in Oracle HRMS, you can enter an *absence case* for the employee. For example, if an employee takes two periods of sick leave due to a back injury sustained at work, you can create an absence case, associate the two absences with the case, and link the case to the work incident.

## Batch Entry of Accrued Time Taken

For fast batch entry, you can use BEE, instead of the Absence Detail window, to enter sick or vacation time recorded together with other timecard data. You can enter the absence start and end dates, as well as any input values defined for the element. If you leave the date fields blank, they both default to the effective date for a nonrecurring

absence element; only the start date defaults for recurring elements. Note that the batch line produces an error if you enter a duration but no end date for a recurring element.

## Self-Service Entry of Absences

If you have licensed Oracle SSHR, you can delegate the responsibility for recording absences to individual employees or their line managers. They can enter proposed or actual absences and submit them for approval by their supervisors (or any other approvers in a workflow).

Additionally, using self-service, employees can view their accrued leave details, and managers can view the same for employees in their team.

See: *Accrual Balances Maintained by SSHR, Oracle Self-Service Human Resources Deploy Self-Service Capability Guide*

See: *Leave and Absence Management Overview, Oracle HRMS Compensation and Benefits Management Guide*

See: *How do we track and analyze absences and net accrual entitlement: Leave and Absence Management, Oracle HRMS Compensation and Benefits Management Guide*

See: *Leave and Absence Management:Self-Service Functionality, Oracle Self-Service Human Resources Deploy Self-Service Capability Guide*

## Viewing and Reporting on Absence Information

For monitoring and analyzing recorded employee absences, use the:

- *View Absence History window, Oracle HRMS Compensation and Benefits Management Guide*
- *List Employees by Absence Type window, Oracle HRMS Compensation and Benefits Management Guide*
- *Absences Report, Oracle HRMS Compensation and Benefits Management Guide*

For reviewing PTO plan participants' accrued time earned and taken, use the *Accruals window, Oracle HRMS Compensation and Benefits Management Guide*.

## Accrual Plan Administration

Just as elements constitute the underlying structure of absence types, so they provide the structure of accrual plans. Each accrual plan is associated with an absence element, which holds information about absences taken under the plan. There is also an element for the plan itself, which you use to enroll participants in the plan.

## Enrollment

You enroll an employee in an accrual plan by entering the accrual plan element. You can only enroll employees who are eligible for the plan (that is, their assignments match the element's links). When you do the enrollment you can override the default date for calculating length of service (which is used in many accrual plans to determine the appropriate accrual amount and the start date of accruals for new hires).

**Note:** You enter the accrual plan element for the employee's primary assignment. If another assignment becomes the primary one, you must re-enter the accrual plan element for the new primary assignment. You can transfer the accrual balance to the new assignment using a balance adjustment element entry, if your implementation team has added a balance adjustment element to the net calculation rules for this accrual plan.

## Recording Accrued Time Taken

You record time taken under the accrual plan by making entries of the absence element associated with the plan.

Normally you make these entries using the Absence Detail window so you can record additional information, such as an absence reason, the name of the employee authorizing the absence, and the name of the employee replacing the absent worker. The window shows the participant's net accrual at the start of the absence and the projected accrual at the end of the accrual term.

You can also use BEE to make batch entries of hours of accrued sick or vacation time that employees have taken and noted on their timecards. Any entries you make to absence elements using BEE for an employee's primary assignment can then be viewed in the Absence Detail window. Entries made using BEE can include a reason, but the list of absence reasons available in the Absence Detail window is not automatically available here.

## Viewing Accruals

You can use the Accruals window to see, at any time, how much time an employee has accrued and used under an accrual plan. You cannot change the amount accrued using this window. The gross accrual is calculated by a formula that may, for example, vary the accrual according to length of service, grade, overtime or other factors.

Absences may span multiple pay or accrual periods. To split the accrual balance across multiple periods, set the HR: Accruals Calculation Basis profile option. See: *User Profiles, Oracle HRMS Configuring, Reporting, and System Administration Guide* for more information.

## Recording PTO Sold or Purchased

If your enterprise pays employees for time they have accrued but not used, or if you permit employees to buy additional time, you may decide to define your own PTO-related elements to record information about these transactions. You then use the Element Entry window to enter these elements for the appropriate employees.

## Running the Carry Over Process

Once each year (or other plan term), an employee's balance of unused accrued time must be cleared down ready for the new plan term. You run the PTO Carry Over process to clear down these balances and record both unused time available for carryover, and residual time unavailable for carryover. For accrual plans with a variable term start date (such as hire date or seniority date), you should run the process every night to update plan information for any employees whose term has ended that day.

**Note:** Some accrual plans are based on a rolling plan term. The Carry Over Process is not relevant to this type of plan.

## Running the Leave Details Report

You use the Leave Details report to analyze employee absences. This is a sample report that is based on the Absence Report.

**Note:** If you created additional start rules for the lookup type `US_ACCRUAL_START_TYPE`, you must customize this report to reflect these results in the report.

You run the Leave Details Report from the Submit Request window.

### To run the Leave Details report:

1. In the Name field, select Leave Details Report.
2. In the Parameters window, select the report date, organization, employee, from and to date, and absence type 1-10.
3. Choose the Submit button.

## Running the Leave Liability Report

This report calculates the monetary value of accrued leave due to an employee. You can run this report as often as required either for an organization or an employee.

**Note:** If you created additional start rules for the lookup type US\_ACCRUAL\_START\_TYPE, you must customize this report to reflect these results in the report.

You run the Leave Liability report from the Submit Request window.

**To run the Leave Liability report:**

1. In the Name field, select Leave Liability Report.
2. In the Parameters window, select the report date, organization, employee, and absence type 1-10.
3. Choose the Submit button.

# Elements

## Survey of the Classifications

The survey of classifications identifies:

- The function of elements within each primary classification, page 4-14
- The processing priority range, default priority, and cost type for each classification, page 4-16
- A list of the predefined secondary classifications within each primary classification, page 4-17

## Primary Element Classifications

Primary element classifications are supplied as startup data, and you cannot delete or update them as they are designed to meet legislative requirements, including SARS requirements for electronic tax certificates.

<b>Classification</b>	<b>Meaning</b>
Balance Initialization	Balance Initialization elements are used specifically for the loading of initial values into balances. You mainly use these elements when transferring data from another payroll system.
Information	Information elements can be used to represent information items that are not used in payroll processing. They can also be set up to hold information for use in other elements, and to trigger the processing of other elements, for example, loan details.
Normal Income	Normal Income elements represent payments made to employees. These payments are usually subject to tax, UIF and Skills levies, and COIDA. They are normally processed in the regular payroll run each period and also maintain information for statutory reporting.

<b>Classification</b>	<b>Meaning</b>
Allowances	Allowances elements represent payments made to employees. These payments are usually subject to tax. They are normally processed in the regular payroll run each period and also maintain information for statutory reporting.
Fringe Benefits	Fringe benefits represent taxable benefits in terms of the Seventh Schedule according to SARS requirements, and also maintain information for statutory reporting.
Lump Sum Amounts	Lump Sum Amount elements represent gratuities or payments from Pension, Provident or Retirement Annuity Funds. They are normally paid as non-recurring elements and also maintain information for statutory reporting.
Direct Payments	Direct Payment elements are for expenses or loans made through the payroll. These payments are not included in any statutory calculations, for example tax and UIF.
Involuntary Deductions	Court orders or garnishments are examples of Involuntary Deduction elements.
Deductions	Deduction elements represent voluntary deductions that are usually tax deductible, such as pension fund or annuity contributions, and must therefore be processed before the tax element.
Statutory Deductions	Statutory Deduction are for predefined tax-related elements only. These are required for processing statutory taxes.
Employer Contributions	Employer Contribution elements represent payments, such as contributions to the company pension scheme or employer's UIF, made to statutory bodies and third parties by the employer for the employee.

<b>Classification</b>	<b>Meaning</b>
Voluntary Deductions	Voluntary Deduction elements are for deductions, such as union dues, that the employee authorizes the employer to make voluntarily on his or her behalf. These are processed after tax deductions and are not tax deductible.
Statutory Information	Statutory Information elements represent contributions, for example, to external retirement annuity funds. These are tax deductible even though the employee manages the contributions personally. Bonus provision also falls under the Statutory Information primary classification.

### Primary Classification Processing Priorities and Cost Types

The following table shows the default processing priority and costing details for the primary classifications supplied.

<b>Primary Classification</b>	<b>Priority Range</b>	<b>Default Priority</b>	<b>Cost Type</b>
Balance Initialization	0	0	Credit
Information	1 - 1000	500	Debit
Normal Income	1001 - 2000	1500	Debit
Allowances	2001 - 3000	2500	Debit
Fringe Benefits	3001 - 4000	3500	Debit
Lump Sums	4001 - 5000	4500	Debit
Direct Payments	5001 - 6000	5500	Debit
Deductions	7001 - 8000	7500	Credit
Statutory Deductions	8001 - 9000	8500	Credit



<b>Primary Classification</b>	<b>Priority Range</b>	<b>Default Priority</b>	<b>Cost Type</b>
Involuntary Deductions	9001 - 10000	9500	Credit
Employer Contributions	10001 - 11000	10500	Debit
Voluntary Deductions	11001 - 12000	11500	Credit
Statutory Information	1 - 13000	6500	Credit

### **Predefined Secondary Element Classifications**

Oracle Payroll provides predefined secondary classifications. You cannot update or delete these predefined classifications. While creating an element, you can view the list of secondary classifications that have been defined for its primary classification.

There are no secondary classifications predefined for the following primary classifications: Balance Initialization, Information, Direct Payments, Involuntary Deductions, and Voluntary Deductions.

# Additional Element Setup for Payroll

## Formulas and Payroll Run Results

Elements are processed during payroll runs according to the business rules for each element that you define at setup. Many of these rules are defined in formulas, written using Oracle FastFormula. Formulas specify how the payroll run should perform calculations for the element.

### Example

This is a basic formula for the calculation for the element Wages:

Wages = Hours Worked in Week \* Wage Rate

The processed results for each element are called the *run results*. They become *balance feeds* for different balances. Some balance feeds are predefined to feed required statutory balances, and you can create your own balance feeds to your own user defined balances.

## Formula Inputs from Input Values or Database Items

Formulas obtain some of the data they need from entries to their element's input values. The Wages formula above, for example, could locate each employee's hours worked as an entry to the input value Hours of the Wages element.

Formulas can also obtain information from *database items*. Much of the information in the Oracle HRMS database, including extensive information on employees and their assignments, is available to formulas as database items. For example, the Wages formula can locate each employee's wage rate as a database item.

## Varying the Processing by Employee Group or Statuses

There are several ways to vary the processing performed by formulas:

- You can use conditional logic (IF..THEN) within a formula to perform different calculations depending on any information taken from input values or database items (such as length of service).
- You can associate more than one formula with an element, each triggered by a different assignment status (such as Active Assignment or On Sabbatical).
- You can use one formula but associate different formula results with each assignment status.
- You can associate a skip rule formula with an element. This formula can check balances, other element entries, the assignment status or any other database items

to determine whether the payroll run should process the element for an assignment.

**Mexico only:** Mexican implementations do not support skip rules by default. They must be enabled manually.

## Types of Formula Results

Formulas can produce different types of run results:

- The *direct result* is the amount of an earnings or deduction, for example, the rand amount of wages an employee has earned that week. As well as calculating the amount to be paid, direct results can be used for costing purposes and analysis (such as tracking hours of overtime).
- *Indirect results, updates, and stops.* A formula result can make an entry to the input value of another element for its formula to use. An indirect result is an entry to a nonrecurring element. An update is an entry to a recurring element. A stop puts an end date on a recurring entry of another element, to prevent it being processed in the run.
- *Order indirect.* This result updates the subpriority of an element that has not yet been processed.
- *Messages.* For example, you can write a formula that checks the length of a text string, and have it issue a message for payroll users if the string is too short or too long.

You set up *formula result rules* to determine the type of each result, and the names and input values of any other elements the result may affect.

## Formulas Included in Oracle Payroll Startup Data

Oracle Payroll comes with formulas specific to your legislation. Generally, you receive all the calculations required for employee tax withholding and employer taxes. When there are changes to taxes, you receive updates. You may also receive formulas for other earnings and deductions, depending on your legislation.

## Pay Values

When you have occasion to look at the structure of an element online, you may see an input value named *Pay Value* at the top of its input value listing.

The Pay Value is different from other input values. Its purpose is to store an element's *run result*. For example, suppose the formula for the Wages element is:

Wages = Hours Worked \* Wage Rate

If an employee whose wage rate is R40 per hour works 40 hours in a week, the payroll

run produces a run result of R1600 for this assignment's Wages element. It stores this result in the element's Pay Value.

If you give an entry to a Pay Value *before* a run, this entry becomes the element's run result. For example, suppose you enter 40 in the Time Worked input value of the Wages element for an employee who earns R40 per hour, but also enter R1000 in the element's Pay Value. The run ignores the entry of hours worked and the Wages formula, and simply produces a run result of R1000 for this employee.

You must define a Pay Value as one of the inputs for the element if you want Oracle Payroll to process an element for pay. You can have only one Pay Value for each element and it must have the name 'Pay Value'.

## Predefined Elements

The following table lists the predefined elements that are specific to Oracle HRMS for South Africa.

Element Name	Description
Advance Cleanup	Element for Advance Cleanup
Advance Indicator	Element for Advance Indicator
Advance Payment	Element for Advance Payment
Advance Period	Element for Advance Period
Advance Recovery	Element for Advance Recovery
Allowances Initialisation	Initialisation of the balances linked to classifications under Allowances
Allowances NRFI Initialisation	Initialization of the balances linked to classifications under NRFI Allowances
Allowances RFI Initialisation	Initialization of the balances linked to classifications under RFI Allowances
Allowances NRFI Initialisation 2	Initialization of the balances linked to classifications under NRFI Allowances
Allowances PKG Initialisation	Initialisation of the balances linked to classifications under PKG Allowances

<b>Element Name</b>	<b>Description</b>
Allowances RFI Initialisation 2	Initialization of the balances linked to classifications under RFI Allowances
COIDA Initialisation	Initialization of balances linked to COIDAable classifications
Deductions Initialisation	Initialization of balances linked to classifications under deductions
Deductions Initialisation 2	Initialization of balances linked to classifications under deductions
Deferred Payments	Element for Deferred Payments
Direct Payments Initialisation	Initialization of the Direct Payments balance
Employer Contributions Initialisation	Initialization of balances linked to classifications under Employer Contributions
Employment Equity Initialisation	Initialization of balances linked to Employment Equityable classifications.
Fringe Benefits Initialisation	Initialisation of balances linked to classifications under Fringe Benefits
Fringe Benefits NRFI Initialisation	Initialization of balances linked to classifications under NRFI Fringe Benefits
Fringe Benefits NRFI Initialisation 2	Initialization of balances linked to classifications under NRFI Fringe Benefits
Fringe Benefits PKG Initialisation	Initialisation of balances linked to classifications under PKG Fringe Benefits
Fringe Benefits PKG Initialisation 2	Initialisation of balances linked to classifications under PKG Fringe Benefits
Fringe Benefits RFI Initialisation	Initialization of balances linked to classifications under RFI Fringe Benefits
Fringe Benefits RFI Initialisation 2	Initialization of balances linked to classifications under RFI Fringe Benefits

<b>Element Name</b>	<b>Description</b>
Information Initialisation	Initialization of balances linked to classifications under Information
Involuntary Deductions Initialisation	Initialization of the Involuntary Deductions balance
Lump Sums Initialisation	Initialization of balances linked to classifications under Lump Sums
Lump Sums Initialisation 2	Initialisation of Balances linked to Classifications under Lump Sums Amounts
Normal Income Initialisation	Initialisation of balances linked to classifications under Normal Income
Normal Income NRFI Initialisation	Initialization of balances linked to classifications under NRFI Normal Income
Normal Income NRFI Initialisation 2	Initialization of balances linked to classifications under NRFI Normal Income
Normal Income NRFI Initialisation 3	Initialization of balances linked to classifications under NRFI Normal Income
Normal Income PKG Initialisation	Initialisation of balances linked to classifications under PKG Normal Income
Normal Income PKG Initialisation 2	Initialisation of balances linked to classifications under PKG Normal Income
Normal Income RFI Initialisation	Initialization of balances linked to classifications under RFI Normal Income
Normal Income RFI Initialisation 2	Initialization of balances linked to classifications under RFI Normal Income
Normal Income RFI Initialisation 3	Initialization of balances linked to classifications under RFI Normal Income
NRFI Initialisation	Initialization of balances linked to NRFIable classifications

<b>Element Name</b>	<b>Description</b>
NRFI Initialisation 2	Initialization of balances linked to NRFIable classifications
RFI Initialisation	Initialization of balances linked to RFIable classifications
RFI Initialisation 2	Initialization of balances linked to RFIable classifications
Statutory Deductions Initialisation	Initialization of balances linked to classifications under Statutory Deductions
Statutory Information Initialisation	Initialization of balances linked to classifications under Statutory Information
Statutory Information Initialisation 2	Initialization of balances linked to classifications under Statutory Information
Statutory Information Initialisation 3	Initialisation of Statutory Information balances
Statutory Information Initialisation 4	Initialisation of Statutory Information balances
Tax Initialisation	Initialization of "Tax On" balances
Tax Initialization 2	Initialization of "Tax On" balances
UIF Initialisation	Initialization of balances linked to UIFable classifications
Voluntary Deductions Initialisation	Initialization of Voluntary Deductions balances
ZA_Adj_RFI_NRFI_PTD_PF	Used for system calculation of RFI and NRFI amounts based on Pension Fund Contributions and Pension Contribution Percentage.
ZA Deemed Remuneration Update	Required for South African Tax
ZA Directors Deemed Remuneration	Directors Deemed Remuneration Element

<b>Element Name</b>	<b>Description</b>
ZA Employment Equity Remuneration	Employment Equity Remuneration element
ZA_Excess_Employer_UIF_Contribution	UIF Employer Excess contribution
ZA_MAC_Available (Employee MAC available element)	You must enter a non-negative input value for No of Dependents for the application to calculate MAC for an employee.
ZA Retro Excess Employer UIF Contribution	Amount of Employee UIF contribution paid by employer (Retro)
ZA Retro Total Package Output	Retro element for ZA Total Package Output
ZA Total Package Output	Element for Total Package Output
ZA_Retro_Tax_On_Lump_Sums	Tax on Lump Sums retro element
ZA_Retro_Tax_On_Ret_Fund_Lump_Sums	Tax on Retirement Fund Lump Sums retro element
ZA_Retro_UIF_Employee_Contribution	UIF Employee contribution (Retro)
ZA_Retro_UIF_Employer_Contribution	UIF Employer contribution (Retro)
ZA_Skills_Levy	Skills levy paid by employer
ZA_Tax	Required for South African Tax
ZA_Tax_2	Required for South African Tax
ZA_Tax_3	Required for South African Tax
ZA_Tax_4	Required for South African Tax
ZA_Tax_5	Required for South African Tax
ZA_Tax_6	Required for South African Tax
ZA_Tax Bal Adjust Ret Fund LS	Required for ZA Tax Balance Adjustments



<b>Element Name</b>	<b>Description</b>
ZA_Tax Balance Adjustments	Required for ZA Tax Balance Adjustments
ZA_Tax_Costing	Required for South African Tax
ZA_Tax_D1	Required for South African Tax
ZA_Tax_D2	Required for South African Tax
ZA_Tax_D3	Required for South African Tax
ZA_Tax_M	Required for South African Tax
ZA_Tax_on_Lump_Sums	Tax on lump sums element
ZA_Tax_On_Ret_Fund_Lump_Sums	Tax on Ret Fund lump sums element
ZA_Tax_Output	South African Tax output element
ZA_Tax_Output_2	South African Tax output element
ZA_Tax Override	Required for South African Tax overrides
ZA_Tax_PAYE_Employer_Contribution	Required for South African Tax
ZA_Tax_PAYE_Employer_Contribution_NTG	Required for South African Tax
ZA Total Package	Package structuring element
ZA_UIF_Employee_Contribution	UIF Employee contribution
ZA_UIF_Employer_Contribution	UIF Employer contribution
ZA_Voluntary_Tax	Voluntary Tax for South Africa
ZA_Tax Balance Adjustments LS	Tax on Lump Sums Balance Adjustments

## Model Elements

In addition to the predefined elements described above, Oracle HRMS for South Africa provides a set of model elements for you to copy and adapt to meet the requirements of

your enterprise. Using these elements, you can plan how to set up and classify your own elements to meet SARS tax reporting requirements.

## Net-to-Gross Processing of Earnings

Oracle Payroll supports net to gross processing of earnings elements. For example, you can define a bonus payment that is a fixed net amount. Oracle Payroll calculates the gross amount needed to meet the net pay.

The following formulas are used in net-to-gross processing:

- `ZA_DEFAULT_GROSSUP`

This is the iterative formula that calculates the amount that the employer must pay in addition to the desired net amount.

- `ZA_CALC_GROSSUP_PAY_VALUE`

This formula adds the additional amount returned by the iterative formula to the desired net amount to return the payment amount. Create a formula result rule to return this payment amount as a direct result to the element's pay value.

For details of how to set up a net-to-gross element, see *Setting Up Elements for Net-to-Gross Processing*, page 4-42

## Balances for Net-to-Gross Processing

The balances listed below are provided for Net to Gross processing of annual payments

<b>Balance</b>	<b>Description</b>
Annual Payment of Employee Debt NRFI NTG	This balance shows the Annual Payment of Employee Debt NRFI that arises due to Net to Gross processing.
Annual Payment of Employee Debt RFI NTG	This balance shows the Annual Payment of Employee Debt NRFI that arises due to Net to Gross processing.
PAYE Employer Contribution for Tax Free Earnings	This shows the tax paid by the employer for Tax Free Earnings (i.e. tax paid by the employer on behalf of the employee).

## Processing for Net-to-Gross Calculation

Oracle HRMS provides the Iterative Methods for South Africa through the lookup

ZA\_ITERATIVE\_METHOD. The number of iterations is limited to MAX\_ITERATIONS parameter of Action Parameters.

The formulas for net-to-gross processing do the following:

### **Interpolation**

- In the Standard Run, the payroll processes the Net to Gross Earning element. The tax on this element is considered as the employer contribution and is considered as the desired net Annual Payment of Employee Debt.
- In the Process Separate Run, the iterative formula takes as input the amount by which the actual net Annual Payment of Employee Debt (actual net amount) can diverge from the desired net Annual Payment of Employee Debt (desired net amount), i.e. To Within input value, and the method of calculation, i.e. Method input value.
- In the first run, the iterative formula sets the lower gross limit to the desired net amount, and the higher gross limit to twice the desired net amount. Then it runs a function to provide the first guess of the gross. The formula returns three values - low gross, high gross, and additional amount - to the element's input values.
- The element's payroll formula runs (ZA\_CALC\_GROSSUP\_PAY\_VALUE). It adds the additional amount to the desired net amount to create the gross income amount and returns this value to the pay value of the Annual Payment of Employee Debt element for the payroll run to process.
- In the next iteration, the iterative formula compares the additional amount to the total value of the balances that are available for gross up for this element entry. The additional amount must not differ from this balance total by more than the amount specified in To Within.
  - If the additional amount equals the balance total, then the iterative processing ends.
  - If the additional amount is above or below the balance total by an acceptable margin, then the processing ends and the formula returns the remainder (additional amount - balance) to the element's Remainder input value.
- Otherwise, the formula runs the function to obtain a better estimate for gross, using the remainder to determine by how much the estimate should be amended. The formula checks the results in another iteration.
- The iterative formula takes as input the desired net amount (Amount input value), the amount by which net can diverge from the desired amount (To Within input value), and the method of calculation (Method input value).
- In the first run it sets the lower gross limit to the desired net amount, and the higher

gross limit to twice the desired amount. Then it runs a function to provide the first estimate of the gross. The formula returns three values - low gross, high gross, and additional amount - to the element's input values.

- The element's payroll formula runs (CALC\_GROSSUP\_PAY\_VALUE). It adds the additional amount to the desired amount to create the gross and returns this value to the element's pay value for the payroll run to process.
- In the next iteration, the iterative formula compares the additional amount to the total value of the balances that are available for gross up for this element entry. The additional amount must not differ from this balance total by more than the amount specified in *To Within*.
  - If the additional amount equals the balance total, the iterative processing ends.
  - If the additional amount is above or below the balance total by an acceptable margin, the processing ends and the formula returns the remainder (additional amount - balance) to the element's Remainder input value.
  - Otherwise, the formula runs the function to obtain a better estimate for gross, using the remainder to determine by how much the estimate should be amended. The formula checks the results in another iteration.

### **Cumulative**

- In the Standard Run, the payroll processes the Net to Gross Earning element. The tax on this element is considered as the employer contribution and is treated as the net Annual Payment of Employee Debt (net amount ).
- In the Process Separate Run, the iterative formula takes as input the amount by which actual gross Annual Payment of Employee Debt (actual gross amount) can diverge from the desired gross Annual Payment of Employee Debt (desired gross amount), i.e. To Within input value, and the method of calculation (Method input value).
- In the first run, the iterative formula sets the additional amount as 0, and the desired amount as the net amount.
- The element's payroll formula runs (ZA\_CALC\_GROSSUP\_PAY\_VALUE). It adds the additional amount to the desired amount to create the gross and returns this value to the element's pay value for the payroll run to process. In other words, in the first run, the Pay Value is the same as the net amount.
- In the next iteration, the iterative formula compares the additional amount to the total value of the balances that are available for gross up for this element entry. The additional amount must not differ from this balance total by more than the amount specified in *To Within*.

- If the additional amount equals the balance total, the iterative processing ends.
- If the additional amount is above or below the balance total by an acceptable margin, the processing ends and the formula returns the remainder (additional amount - balance) to the element's Remainder input value.
- Otherwise, the formula sets the additional amount as the total value of the balances that are available for gross up for this element entry. The formula checks the results in another iteration.

## Predefined Skip Rules

Oracle HRMS for South Africa provides the following predefined skip rules.

Skip Rule	Used for...
ONCE_EACH_PERIOD	Recurring elements that must not be processed more than once in a pay period.
ZA_PROCESS_IN_FIRST_PERIOD	Weekly or fortnightly payrolls for recurring elements that must be processed in the first period of a month.
ZA_PROCESS_IN_SECOND_PERIOD	Weekly or fortnightly payrolls for recurring elements that must be processed in the second period of a month.
ZA_PROCESS_IN_THIRD_PERIOD	Weekly or fortnightly payrolls for recurring elements that must be processed in the third periods of a month.
ZA_PROCESS_IN_FOURTH_PERIOD	Weekly payrolls for recurring elements that must be processed in the fourth period of a month.
ZA_PROCESS_IN_LAST_PERIOD	Weekly or fortnightly payrolls for recurring elements that must be processed in the last period of a month.
ZA_SKIP_FIFTH_PERIOD	Weekly payrolls for recurring elements that must not be processed in the fifth period of a month.

Skip Rule	Used for...
ZA_UIF_SKIP	Checking if employees are liable to contribute for UIF calculations. Employees do not contribute if: they are an independent contractor; a reason for non contribution has been entered; their TOTAL_UIFABLE_INCOME_ASG_TAX_PTD balance is zero; or they have a Nature of Person of D, E, F, G or H.

For more information, see: *Writing Formulas for Element Skip Rules, Oracle HRMS FastFormula User Guide.*

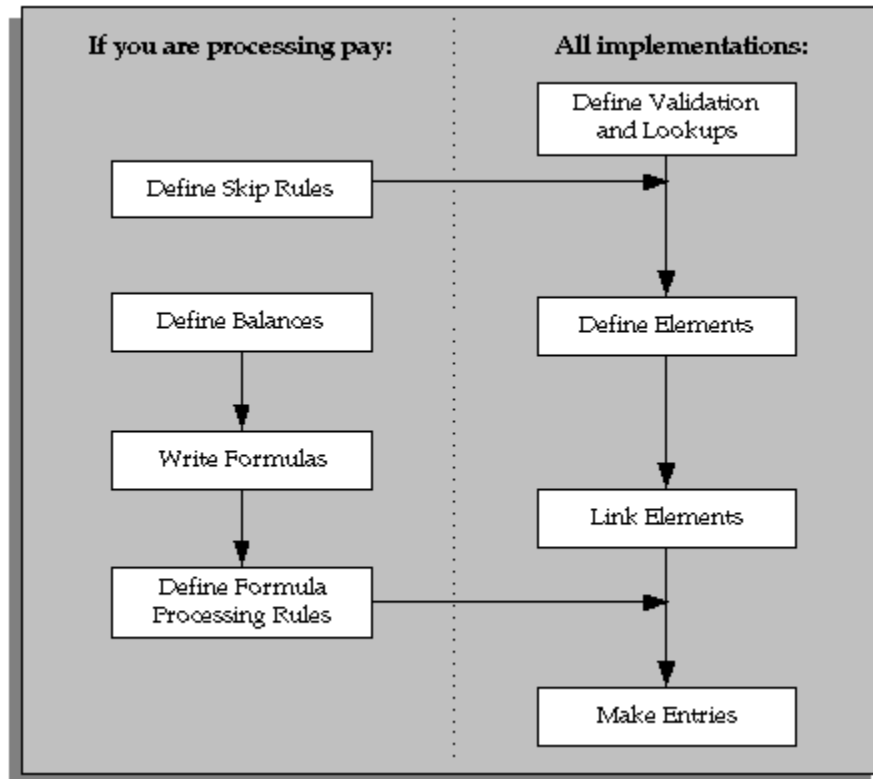
## Setting Up Total Compensation Elements for Payroll

Follow this process to set up earnings, deductions, and other items in the compensation package you offer to employees. This process assumes you are defining elements, formulas, balances, and other rules from scratch. However, you may be able to use template earnings and deductions that you select in the Configuration Workbench, or generate certain earnings and deductions using the Element Design Wizard or template windows, depending on your localization. You can then follow this process to configure the generated or template earnings and deductions, if required.

There are additional steps for setting up the following types of compensation and benefits:

- Salaries for Salary Administration; see: *Setting Up Salary Administration, Oracle HRMS Compensation and Benefits Management Guide*
- Absence elements and PTO accrual plans  
 See: *Setting up Absence Management, Oracle HRMS Compensation and Benefits Management Guide*  
 See: *Setting Up PTO Accrual Plans, Oracle HRMS Compensation and Benefits Management Guide*
- Benefits; see: *Standard and Advanced Benefits Setup: Overview, Oracle HRMS Compensation and Benefits Management Guide*
- Items subject to collective agreements; see: *Setting Up a Collective Agreement, Oracle HRMS Enterprise and Workforce Management Guide*

## Compensation and Benefits Setup



### Define Validation and Lookups

Define validation for entries of any new elements you are creating.

1. To restrict compensation entries to a list of valid values, define a new Lookup Type and add Lookup Values for this new lookup.

See: Adding Lookup Types and Values, *Oracle HRMS Configuring, Reporting, and System Administration*.

2. To validate compensation entries using formulas, write a formula of type Element Input Validation.

See: Writing Formulas for Validation, *Oracle HRMS FastFormula User Guide*.

3. To create a matrix of values (such as bonus amount against years of service) for use in formulas or QuickPaint reports, set up user tables.

See: *Setting Up User Tables, Columns, and Rows, Oracle HRMS Configuring, Reporting, and System Administration Guide.*

### **Define Element Skip Rules**

4. If some elements should not be processed in every payroll run, write formulas for element skip rules defining the conditions when the run should process these elements.

See: *Writing Formulas for Element Skip Rules, Oracle HRMS Configuring, Reporting, and System Administration Guide.*

### **Set Up Proration**

5. If the Proration tab is available on the Element window for your localization, you can set up proration. For earnings or deductions that the payroll run should prorate when relevant factors (such as pay rates, grades, or working hours) change during a pay period, make sure you have completed the basic proration setup steps. See: *Setting Up Proration, Oracle HRMS Compensation and Benefits Management Guide.*

### **Define Elements**

6. Define elements and element input values:
  - To record information about employee compensation, benefits, and equipment.
  - For processing earnings and deductions. (Note that some elements for legislative deductions are predefined.)

See: *Defining an Element, Oracle HRMS Compensation and Benefits Management Guide.*

See: *Defining an Element's Input Values, Oracle HRMS Compensation and Benefits Management Guide.*

See also: *Deleting an Element, Oracle HRMS Compensation and Benefits Management Guide.*

7. Define frequency rules, if necessary, to determine the periods in which the element should be processed.

See: *Defining Frequency Rules, page 4-34.*

### **Define Links for Predefined and User-defined Elements**

8. If the payroll costs of an element should be distributed over other elements, define a distribution set.



See: Defining an Element or Distribution Set, *Oracle HRMS Compensation and Benefits Management Guide*

9. Define element links to identify one or more groups of employees who are eligible to receive an element.

See: Defining Element Links, *Oracle HRMS Compensation and Benefits Management Guide*.

See also: Running the Element Link Details Report, *Oracle HRMS Compensation and Benefits Management Guide*.

### **Define Balances**

Oracle Payroll has many predefined balances installed with the system. You can define other balances.

10. Define secondary element classifications.  
See: Defining Secondary Element Classifications, page 4-53.
11. Create classes of balance feeds by entering or removing secondary classifications for your elements.  
See: Creating Classes of Balance Feeds, page 4-54.
12. Define user balances and create balance feeds for individual elements.

See: Defining User Balances, page 4-55.

See: Creating Balance Feeds for Individual Elements, page 4-54.

For information on uploading initial balances, please refer to the appropriate *Legislative Balance Initialization* technical essay.

### **Write Payroll Formulas**

13. Oracle Payroll provides formulas for processing legislative deductions. For other elements, you can write formulas to calculate element results and other processing outcomes in payroll runs.

See: Writing Payroll Formulas for Elements, *Oracle HRMS FastFormula User Guide*.

### **Define Formula Processing and Result Rules**

14. To define which formula processes an element for Active assignments (and optionally for other assignment statuses), define processing rules for the element. To specify what happens to formula results (that is, the values you include in the formula's Return statement), define formula result rules.

See: Defining Formula Processing and Result Rules, page 4-35.

### Define Rules for Net-to-Gross Processing

If your localization supports net-to-gross processing, you can define rules for iterative processing of earnings and for excluding balances.

15. Define rules for the processing of the iterative formula. See: *Defining Iterative Processing Rules, Oracle HRMS Compensation and Benefits Management Guide UK.*
16. Specify which balances to exclude from the net-to-gross calculation. See: *Excluding Balances From an Element's Grossup Calculation, Oracle HRMS Compensation and Benefits Management Guide UK.*

### Make Entries

17. For elements without Standard links, make entries of your elements for all employee who should receive them.  
  
See: *Making Manual Element Entries, Oracle HRMS Compensation and Benefits Management Guide.*

## Defining Frequency Rules

Recurring elements may require frequency rules to determine in which pay periods they should process. For example, a monthly deduction might be processed in the third period of the month for weekly-paid employees and in the second period of the month for employees paid on a semi-monthly basis.

It is possible to set frequency rules to process once- or twice-yearly deductions on monthly, quarterly, or semi-annual payrolls. These rules' periods then refer to periods within a year (months, quarters or half years) instead of periods within a month. However, for infrequent deductions, you may prefer to define them as nonrecurring and use BEE to make entries when required.

Use the Frequency Rules window to define or change an element's frequency rules at any time.

**US and Canada Payroll only:** Use the Deduction form to define or change a deduction's frequency rules.

**Mexico only:** Use the Element Design Wizard to define or change a deduction's frequency rules.

### To define frequency rules:

1. Select the name of the payroll for which you want to define frequency rules.
2. In the Date field, you can override the default date that the payroll run uses to assess the frequency rule, if required.

For example, suppose you are defining frequency rules for a monthly deduction. If you select Effective Date for a Weekly payroll and check Processing Period 1, the payroll run only takes the deduction if the run's effective date is in the first week of the month.

3. Check the boxes for the processing period or periods in which you want the element to process for each payroll.

For example, if you want a monthly deduction to process in the second week of the month for a weekly payroll, check the box under 2 for that payroll.

Notice that some periods are not available for all payrolls. For example, a bi-weekly payroll can only have, at most, three periods a month, so periods 4, 5, and 6 are not relevant to this payroll.

## Defining Formula Processing and Result Rules

Use the Formula Result Rules window to associate one or more formula processing rules with an element.

At minimum, an element needs one standard processing rule. This identifies the formula the payroll run uses to process the element for employees with an Active assignment status (and a Payroll system status of Process). It is also the default formula for other assignment statuses. However, you can define other processing rules if you need to use different formulas for assignments at other statuses. For example, you could have two rules for a Wages element: Standard Wages and Paid Training Leave.

Also use this window to define how each formula result is used by the payroll run.

### Correcting and Updating Processing Rules

When you add a formula result, it takes on the effective end date of its processing rule. Any date effective changes you make to existing processing rules can affect formula results as follows:

- **Update:** If you update a processing rule or give it an effective end date, all the rule's currently effective and future-dated formula results automatically get identical end dates.
- **Correction:** If you correct a processing rule, all its currently effective and future-dated formula results remain unchanged.
- **Future delete:** If you delete all future changes scheduled for a processing rule, this also deletes any future changes scheduled for the rule's formula results.

### To associate processing rules with elements:

1. Set your effective date to the start date for the processing rule.

2. Select the element for which you are entering rules. The element's description and classification automatically display.
3. Click Find to display any existing processing rules for this element.
4. In the Processing Rules region, select Standard and the regular formula for the element. If you have other formulas for this element, select them and the assignment statuses you want to associate with them.

**Note:** If you select a formula with inputs that do not match the element, you will receive a warning message, but you can still save your rule. Remember to update the formula before running the payroll.

5. Save your entries.

#### **To define formula result rules for each processing rule:**

1. Click on a processing rule to select it.
2. In the Formula Results region, select a formula result name from the list of results specified when the formula was written.
3. Select the appropriate formula result type. There are five possible types:

**Direct result:** This is the element's run result (if you send the result to the element's pay value), or a direct result updating another of the element's input values.

**Indirect result:** This result passes as an element entry to another nonrecurring element not yet processed.

**Message:** The formula issues messages under certain conditions. For example, a formula can check a loan repayment balance and, if the balance is zero, issue the message "Loan is repaid." You read formula messages using the View Run Messages window.

**Order Indirect:** This result updates the sub-priority of the element you select in the Element field.

**Stop:** This formula result uses the Date Earned of the payroll run to put an end date on a recurring entry of this or another element (which must be defined with multiple entries not allowed.)

**Update recurring entry:** This result updates recurring entries of this or another element on the effective date of the payroll run. The receiving element must be defined with multiple entries not allowed unless you are passing a recurring element's entries to itself, that is updating another entry of the same element.

**Important:** If your result type is Update Recurring Entry, then the application inserts an entry and any future dated changes to the entry remain unchanged by the results of the current payroll run.

4. For all formula result types except Direct Result or Message, select the name of the element to which you want to pass the formula result. This element must have a processing priority causing it to process after the element sending the result.
5. For the formula result types Direct Result, Indirect Result, and Update Recurring Entry, select the input value to update.
6. If you select Message as the formula result type, select a message severity level. There are three choices:

**Fatal:** When a message with this severity results from your formula, the run rolls back all processing for the employee assignment.

**Warning:** A message with this level of severity does not affect payroll processing but warns the user of a possible problem.

**Information:** A message with this level of severity simply gives information.

## Setting Up Medical Tax Credits

In order for the application to calculate the medical tax credit for an assignment, you must perform the following setup steps.

1. Create a new element as follows:
  - Name: Enter an applicable name, for example, ZA\_MAC\_No\_of\_Dependents
  - Primary Classification: Select Statutory Information.
  - Type: Select Recurring.
  - Termination: Select an applicable value.
  - Priority: Enter 6500.
2. Create an input value to store the number of dependents:
  - Name: NOD
  - Units: Number
  - User Enterable: Checked

- Database Item: Checked
3. Create an element link.
  4. Create a new formula as follows:
    - Name: Enter an applicable name, for example, ZA\_MAC\_Dependents.
    - Type: Select Oracle Payroll.
    - Date: Enter a relevant date.
    - Click the Edit button and enter the following formula text:
 

```
Inputs are NOD
L_NOD = NOD,
Return L_NOD
```
    - Click Verify.
  5. Set up formula results for the element you have created, as follows:
    - **Processing Rules:**
      - Name: Standard
      - Formula: Select your formula, for example, ZA\_MAC\_Dependents.
      - Effective Date: Enter a relevant date.
    - **Formula Results:**
      - Name: L\_NOD
      - Type: Indirect Result
      - Element: ZA\_MAC\_Available
      - Input Value: Number of Dependents

The applicable Medical Tax Credit amount will be calculated for assignments with the custom element attached.

**Important:** If the value of the NOD input value is zero, then medical tax credits will be calculated only for the employee. If the value is 1, then medical tax credits will be calculated for the employee plus one dependent and so on

The tax calculation will apply this tax credit amount to the tax due by the employee. The amount of tax credit taken into account will be returned in a balance called Medical Tax Credit Used. This amount will be reported against code 4116 on the Tax Certificates at the end of the tax year.

The following tax calculations have been modified to take the tax credit into account:

- Normal Calc
- SITE Calc
- Directive Calc
- Calendar Calc
- Base Calc
- YTD Calc
- Seasonal Calc
- NoCalc

Tax credit will not be taken into account in the Late Calc. The Late Calc processes when an employee has been terminated and receives a payment in the following tax year.

Tax credit will be applied on Director's Deemed Remuneration and on Tax on Lumpsum payments.

#### **Medical Aid Tax Balances**

The following balances are delivered for use in Medical Aid Tax reporting:

<b>Balance Name</b>	<b>Description</b>
Medical Aid Tax Credit	This holds the Available Medical Tax Credit.
Annual Medical Aid Tax Credit	This holds the available Annual Medical Tax Credit.
Medical Aid Tax Credit Used	This balance holds the value of Medical Tax Credit used. You use this balance in Tax Year End reporting.
Medical Tax Credit Used on Lump Sums	This balance holds the value of Medical Tax Credit used on Lump Sums.
Total Medical Aid Tax Credit Used	This balance holds the value of Medical Tax Credit used and Medical Tax Credit used on Lump Sums. This balance is used in Tax Year End reporting.

**Note:** For the Medical Aid Tax Credit and the Annual Medical Aid Tax Credit balances, only one should be attached to user elements.

The following balances are used in sub-calculations within the tax calculation and can be viewed on the Balance screen:

- Med Aid Tax Cr Used On NI
- Med Aid Tax Cr Used On FB
- Med Aid Tax Cr Used On TA
- Med Aid Tax Cr Used On BP
- Med Aid Tax Cr Used On AB
- Med Aid Tax Cr Used On AP
- Med Aid Tax Cr Used On PO
- Med Aid Tax Cr Used On NG
- Med Aid Tax Cr Used On EE

## Setting Up Travel Allowances

Travel Allowances can be taxed at 80% or 20% depending on whether the employee travels mainly for business purposes or mainly for private purposes. You must determine which percentage to use and return the taxable portion of Travel in an element classified as Taxable Travel Allowance and the non-taxable portion in an element classified as Non Taxable Travel Allowance.

The following global values are provided for you to reference in your formula:

- ZA\_CAR\_ALLOW\_TAX\_PERC
- ZA\_CAR\_ALLOW\_TAX\_PERC\_HIGH\_BUS

## Setting Up Reimbursive Travel Allowances

You must set up a formula to determine whether Reimbursive Travel amounts are taxable or non-taxable. If the Reimbursive Travel amount is taxable it should be returned in an element with a primary classification of Allowances and a secondary classification of Taxable Reimbursive Travel. If the Reimbursive Travel amount is non-taxable it should be returned in an element with a primary classification of Allowances and a secondary classification of Non Taxable Reimbursive Travel.



The following global values are provided for you to reference in your formula:

- ZA\_REIMBURS\_TRAVEL\_RATE
- ZA\_REIMBURS\_TRAVEL\_KM

## Setup Information for Bonus Provision

Bonus Provision is a means of spreading the tax due on an Annual Bonus over the full tax year or part of the tax year instead of paying the full amount of tax in the month in which the bonus is paid.

### To set up Bonus Provision:

1. Create a Bonus Provision element. This element must be set up with a primary classification of Statutory Information and a secondary classification of Bonus Provision.

The Pay value of the element must contain the amount of periodic income that tax should be calculated on. This value can either be entered manually or you can create a fast formula to update it. For example, set up an Annual Bonus element with an input value of 'Bonus Amount' and create a fast formula to divide the amount in 'Bonus Amount' by 12 and return the result in the pay value of the Bonus Provision element.

2. Set the Bonus Provision Recovery Indicator on the ZA\_Tax element.

Bonus Provision Recovery can be set to one of two values:

- At Tax Year End

This indicates that the tax paid on bonus provision should only be offset against the tax due on the bonus at the end of the tax year (or in an employee's termination period) regardless of when the bonus was paid. Tax continues to be deducted on bonus provision each period until the end of the tax year unless the element is end dated prior to that.

**Note:** If no annual bonus is paid to the employee during the tax year then the tax deducted on the bonus provision should be refunded in the last period of the tax year or in the employee's termination month.

- When Bonus Paid

This indicates that the tax paid on bonus provision must be offset against the tax due on the annual bonus in the period that the annual bonus is paid. You must ensure you end date the bonus provision element so that it is not processed in the periods after the bonus has been paid.

You should use this option if an annual bonus is due to be paid to an employee in a supplementary run in the last period of the tax year or an employee's termination period. This will prevent the tax calculation from refunding the tax paid on bonus provision in the main run of the period and then deducting the full tax due on the annual bonus in the subsequent 'bonus run'

**Note:** Tax paid on bonus provision will not be refunded if no bonus is paid at all as this option indicates to the tax calculation that a bonus is still to be paid. Additionally, note that it is not possible to provide for two bonuses in the same tax year if this option is used. You should use the 'At Tax year End' option if you intend to provide for more than one bonus.

- Forcing a refund of tax on bonus provision

If you need to urgently refund the tax paid on bonus provision before the end of the year, enter a negative amount in Pay Value on the bonus provision element entry. This negative amount must be equal to the amount of bonus provision processed for the tax year to date so that the year to date bonus provision amount will be zero once the payroll is run. Alternatively, do a balance adjustment to negate the amount. The tax calculation will refund the tax paid on bonus provision. You should ensure that the bonus provision element is end dated to avoid further tax on bonus provision being deducted in subsequent periods.

## Setting Up Elements for Net-to-Gross Processing

Follow these steps to set up elements for net-to-gross processing.

### To set up elements for net-to-gross processing:

1. You set up the elements as follows:
  - Set up the Net to Gross earning element in line with the predefined model element ZA Net to Gross Bonus Model.

Select the appropriate primary and secondary classification. Note that you must not select the following secondary classifications:

- Net to Gross (Process Separate) Ann Pymt of EE Debt NRFI
- Net to Gross (Process Separate) Ann Pymt of EE Debt RFI

Only select the secondary classification Net to Gross Skills Levyable Annual Fringe Benefits if you want to set up the Annual Payment of Employee Debt that arises due to Net to Gross annual payments as Skills Levyable.

- Set up the element for Annual Payment of Employee Debt (that arises due to Net to Gross earnings) in the same way as the predefined model element ZA Net to Gross Proc Sep Ann Pymt of EE Debt Model. Select Fringe Benefits as the primary classification and select the applicable secondary classification from the following:
  - Net to Gross (Process Separate) Ann Pymt of EE Debt NRFI
  - Net to Gross (Process Separate) Ann Pymt of EE Debt RFI

If you want to set up this element as Skills Levyable, you must select the secondary classification Net to Gross Skills Levyable Annual Fringe Benefits as well. The Annual Payment of Employee Debt (Process Separate) element must be set up as a Recurring element.

When this element is assigned to an employee, you must end-date the element entry on the last day of the current tax year, but not prior to it. This is because it is possible that the employee's tax bracket could change in the tax year due to an increase in earnings. A change of this nature results in the recalculation of the tax on tax-free earnings paid in a previous period. Any additional tax arising from a future increase in earnings are paid by the employer.

2. Ensure that you select the following rules:

- On the Standard tab of the Element window:
  - Non-recurring
  - Final close for the termination rule
  - Multiple entries allowed
  - Skip rule of ONCE EACH PERIOD
- On the Advanced tab of the Element window:
  - Check the Gross Up check box. This automatically selects the Iterative Flag (I) and the Process Separate check boxes. Do not deselect any of these check boxes.
  - Select ZA\_DEFAULT\_GROSSUP in the Iterative Formula field.

3. Choose the Input Values button to define the input values for these elements, as follows:

***Input Values for Net-to-Gross Earnings Types***

---

<b>Input Value Name</b>	<b>Purpose of Entry</b>	<b>Checkbox: Required</b>	<b>Checkbox: User Enterable</b>	<b>Checkbox: Database Item</b>
Pay Value	Oracle Payroll returns the gross pay to this input value when it has completed the net-to-gross calculations.	No	Yes	Yes
Amount	Gives iterative formula the desired net pay.	Yes	Yes	No
Low Gross	Used by the iterative formula to hold the lower gross pay estimate, to feed into the next iteration of the formula.	No	No	No
High Gross	Used by the iterative formula to hold the higher gross pay estimate, to feed into the next iteration of the formula.	No	No	No

---

<b>Input Value Name</b>	<b>Purpose of Entry</b>	<b>Checkbox: Required</b>	<b>Checkbox: User Enterable</b>	<b>Checkbox: Database Item</b>
Remainder	The amount by which the additional pay to be paid by the employer (gross minus desired net) differs from the total of the balances that are eligible for gross up processing. Returned by the iterative formula.	No	No	No
To Within	The amount by which actual net can differ from desired net after normal processing. Must not be zero but can be a nominal amount such as 0.01.	Yes	Yes	No

Input Value Name	Purpose of Entry	Checkbox: Required	Checkbox: User Enterable	Checkbox: Database Item
Method	The method of iterative calculation: CUMULATIVE or INTERPOLATION. This determines which function the iterative formula calls. Use the lookup type ZA_ITERATIVE_METHOD and select the default INTERPOLATION, since this is usually the more efficient method when To Within is in a fraction of 1 Rand.	Yes	Yes	No
Additional Amount	The amount to add to desired net to calculate gross pay. Returned by the iterative formula.	No	No	No

See: Defining an Element's Input Values, *Oracle HRMS Compensation and Benefits Management Guide*

4. Choose the Balance Feeds button to confirm which balances feed your net-to-gross element.

See: Creating Balance Feeds for Individual Elements, page 4-54

5. Choose the Balance Feeds Control button to modify balance feeds that are not correct.

See: Creating Classes of Balance Feeds, page 4-54

6. Choose the Iterative Rules button to set up the processing rules for the iterative formula.

See: Defining Iterative Processing Rules, page 4-47

7. Define the formula result rules for your elements. Select the formula ZA\_CALC\_GROSSUP\_PAY\_VALUE for the Standard processing rule. Create a formula result rule to feed the PAYMENT\_AMOUNT result as a direct result to the element's pay value.

See: Defining Formula Processing and Result Rules, page 4-35

8. Define element links for your elements.

## Defining Iterative Processing Rules

Use the Iterative Processing Rules window to specify how to use the iterative formula results for an element. For example, you can specify which formula result adjusts an input value to feed into the next processing iteration, and which result stops the iterations.

### To define iterative processing rules:

1. Enter or query the element in the Element window - making sure the Iterative Flag check box on the Advanced tab is checked - and choose the Iterative Rules button.
2. Select a formula result in the Return Name field, and select a rule type: Adjust, Message, or Stop.
3. For a message, select the severity level: Fatal error, Information, or Warning. A Fatal message creates an error for the assignment action.
4. For an Adjust type, select the input value to adjust.
5. Save your work.

If you are using the DEFAULT\_GROSSUP iterative formula, then define the following rules:

**Note:** For South African users only: If you are using the ZA\_DEFAULT\_GROSSUP iterative formula, then define the following rules:

<b>Return Name</b>	<b>Rule Type</b>	<b>Input Value to Adjust</b>
ADDITIONAL_AMOUNT	Adjust	Additional Amount
HIGH_GROSS	Adjust	High Gross
LOW_GROSS	Adjust	Low Gross
REMAINDER	Adjust	Remainder
STOPPER	Stop	--
For South Africa users only: TARGET_AMOUNT	Adjust	Amount



# Balances

## Payroll Balances

Balances show the positive or negative accumulation of particular values over periods of time. They are fed either by the direct run results (that is, Pay Values) of elements processed in the payroll run, or by input values. For example, in North American installations, the input value Hours of the element Time Entry Wages feeds the balance Regular Hours Worked.

## Balance Dimensions and Levels

Balances exist for various time *dimensions*, such as current run, period to date, month, quarter to date, and year to date.

Balances also exist at different *levels*, such as assignment level or person level. Balances for individual employee assignments are at the assignment level (in North America, they can be at the assignment level within a GRE). If your enterprise permits employees to hold more than one assignment at the same time, you can hold balances at the person level. For example, a person level Gross Earnings balance is the sum of an employee's assignment level Gross Earnings balances.

## Choosing Elements To Feed a Balance

You can select elements to feed a balance in three ways:

- Select a primary classification. The run results of all elements in the classification feed the balance. However, you must have an input value of Pay Value if you want to create a feed between an element and a balance.
- Select a secondary classification. You choose which elements from a primary classification (such as Earnings) are to feed the balance by giving these elements a secondary classification. Again it is the run results of the elements that feed the balance.

**Note:** Secondary classifications are not used in the North American versions of Oracle Payroll at this time.

- Select an individual element. You can select either the run result or an input value to feed the balance. The input value must have the same unit of measure (such as hours or number) as the balance.

You can choose any number of classifications or any number of elements to feed a balance. However you cannot use a mixture of classifications and individual elements

to feed a balance. When you select an element or classification as a balance feed, you specify whether the run results (or input values) should add to or subtract from the balance.

## Startup and User Defined Balances

The balances and balance feeds for the elements supplied with Oracle Payroll are present in the system when you receive it. For North American users, when you initiate earnings types, deductions and other items that process in the payroll run, the system generates the appropriate balances and balance feeds together with the necessary elements.

You can define any additional balances your enterprise requires. For example, you may require a Pensionable Earnings balance for a pension plan your enterprise offers employees.

## Primary Balances

**Important:** You cannot have two or more elements with the same primary balance. This setup will cause incorrect elements to show up on reports or Statement of Earnings when the process uses balance reporting architecture.

You define primary balance using the following navigation:

- Balance window (Total Compensation > Basic > Balance):

You define primary balance by selecting an element and an input value in the Primary Balance region in the **Balance** window. This type of balance is fed by a single element and can only be inserted if no balance feeds exist for the balance, with the exception of Balance Initialization feeds. When you create a primary balance, the associated feed is created automatically. No other feeds can be created for the balance. Note that if the Primary Balance region is disabled, then the primary balance functionality is not enabled for that localization.

- Earnings or Deductions window:

When you create a balance, the balance gets created with name same as that of the element and the element input "Pay Value" gets added as a feed to this balance. This balance is considered as a Primary Balance for this element and can be seen from the Primary Balance field in the **Element Description**, Further Information window. Changing this Primary Balance in the Further Element Information will result in incorrect values to be reported. For example, Statement of Earnings (SOE) is designed to display the values based on the Primary Balance associated with the elements that are processed.

## Balance Dimensions for South Africa

Oracle HRMS for South Africa provides the following predefined balance dimensions:

### Standard Dimensions

These dimensions are for assignments and are held for reporting purposes.

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_ASG_RUN	during one payroll run
_ASG_CAL_PTD	since the start of the period
_ASG_CAL_MTD	since the start of the calendar month
_ASG_CAL_YTD	since the start of the calendar year
_ASG_ITD	since the start of the assignment. Does not reset.

---

### Statutory Dimensions - Single Assignments

These statutory dimensions are usually associated with predefined balances for summing balance feeds for single assignments. A tax certificate is issued for each assignment.

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_ASG_TAX_PTD	since the start of the payroll processing period
_ASG_TAX_MTD	from the start of the first period of the month to the last period of the month. Used for weekly and fortnightly payrolls. Resets on month end date.
_ASG_TAX_QTD	since the start of the quarter
_ASG_TAX_YTD	since the start of the tax year

---

### Payments Dimension

This is a special dimension that aggregates results from payroll runs that have been picked up in a particular pre-payments run.

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_PAYMENTS	for a set of payroll runs
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### Retro Run Dimension

This is a special dimension that aggregates results from payroll runs that have been picked up in a particular retro-payments run.

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_ASG_RETRO_RUN	for one run only
_ASG_RETRO_TAX_PTD	since the start of the tax period
_ASG_RETRO_TAX_YTD	since the start of the tax year

---

## Balance Categories for South Africa

Balance categories enable you to group balances into related types. The balance categories for South Africa are a replication of the list of primary element classifications:

- Allowances
- Deductions
- Direct Payments
- Employer Contributions
- Fringe Benefits
- Information
- Involuntary Deductions
- Lump Sum Amounts
- Normal Income
- Statutory Deductions
- Statutory Information
- Voluntary Deductions

## Defining Secondary Element Classifications

Oracle Payroll users can define secondary classifications to create subsets within primary classifications. You decide which elements, from a primary classification, are in each secondary classification, then you use the secondary classification to feed balances.

**Note:** If you are an HR-only user, you cannot define secondary classifications. For more information on user types and the associated HR: User Type profile option, see: User Profiles, *Oracle HRMS Configuring, Reporting, and System Administration Guide*.

### To create secondary element classifications:

1. Query a primary element classification. The check box indicates whether it is for nonpayment elements. These are elements that do not feed the Payments balance.

On the Priority, and Costing tabs, you can view the following information about the classification:

**Priority:** The processing range displays together with the default priority.

**Costable:** If this check box is checked, you can select all costing options on the element link for elements of this classification, including Not Costed.

**Distributable:** If this check box is checked, you can create a distribution set from elements of this classification over which you can distribute costs.

**Debit or Credit:** These option buttons display the cost type for elements in the classification, that is, whether the accounts they feed are to be debited or credited.

On the Frequency Rules tab, you can view the following information about the classification:

**Enabled:** If this check box is checked, you can define frequency rules for elements of this classification. The payroll run uses a frequency rule to determine in which pay periods it processes a recurring element.

**Date:** The date the payroll run uses, by default, to assess frequency rules in your localization. You can select a different date when you define a frequency rule.

2. Enter a unique name for the secondary classification you want to associate with the displayed primary classification. You can also add a description.
3. Select the Default check box if you want all elements in the primary classification to be in the secondary classification by default. Then, if there are any exceptions, you must manually remove these elements from the secondary classification. You can do this at any time using the Balance Feed Control window, which opens from the Element window.

**Note:** For some legislations, Oracle Payroll has already defined a number of secondary classifications. Some of these are default classifications, but not all. You cannot delete these classifications, and you cannot delete them from the Balance Feed Control window for predefined elements.

## Creating Balance Feeds for Individual Elements

Use the Balance Feeds window to select balances to be fed by the input values of an element. Balances are either fed by whole classifications of elements or by individual elements, but not by both. Therefore, in this window you cannot select balances that are fed by classifications. You can query a balance in the Balance window and choose the Classifications button to view the list of classifications that feed it.

You can use an element to feed as many balances as you require.

### To create balance feeds for one element:

1. Set your effective date to when you want the balance feed to start.
2. Enter or query the element in the Element window and choose the Balance Feeds button.
3. In the Balance Feeds window, select the input value that you want to feed the balance with.

The list displays all the input values defined for the element. These input values may have different units of measure. When you select an input value its unit of measure displays in the Units field. To feed a balance with the element's direct run result, select Pay Value.

4. Select the balance you want the input value to feed.

The list restricts your choice to balances having the same unit of measure as the input value you selected.

5. Select Add or Subtract for the balance feed.

**Note:** Secondary classifications and balance feed controls currently do not apply to the US version of Oracle Payroll.

## Creating Classes of Balance Feeds

In the Balance Feed Control window, you can classify an element using secondary

classifications. These determine the balances that the element feeds. You can query a balance in the Balance window and choose the Classifications button to view the list of classifications that feed it.

**To select or remove secondary element classifications:**

1. Set your effective date to when you want the element to begin feeding the balances that the secondary classifications feed.
2. Enter or query the element in the Element window and choose the Balance Feed Control button.
3. In the Balance Feed Control window, delete any default secondary classifications you do not require for the element.

When this window opens, it displays any default secondary classifications for the element's primary classification. Unless they are predefined, you can delete any of these classifications, and you can change their effective start dates.

4. Select any non-default secondary classifications you require.

## Defining User Balances

Defining a balance includes defining its feeds and dimensions. When selecting feeds for the balance you have to choose between specifying element input values directly, and selecting element classifications to determine the feeds. You cannot choose both methods together.

You can group similar balances - such as all earnings balances - in a single *category* for quicker and easier processing. Each localization has a defined set of categories. If there are no categories in the list of values, this means your legislation is not yet using the category functionality.

Balances often share a common relevancy to certain assignments. In some localizations, you can define *base balances* to imply a relationship between the balances that can be relied upon when processing and reporting. For example, "Loan Repayment" could be the base balance for "Loan Repayment Arrears".

You define balances in the Balance window.

**To define a user balance:**

1. Do *one* of the following:
  - Enter a unique name and a reporting name for the new balance. If you do not provide a reporting name, the first seven characters of the balance name appear on reports.

- Query any user balances you want to change.
2. Optionally, select a balance category in the Category field.  
**Australian Users:** Attach all user-defined balances to the relevant balance category and to the \_ASG\_RUN and \_ASG\_YTD dimensions to populate the run balances. You must attach all user-defined allowance balances required to be reported individually on the Payment Summary to the Balance Category of Allowance and to the \_ASG\_LE\_RUN and \_ASG\_LE\_YTD dimensions.  
**New Zealand Users:** You must assign a balance category for each element that you define.
  3. Optionally, select a Base Balance.
  4. Enter the unit of measure for the balance. The choices are days, hours (listed in different formats), integer, money and number. If you select money as the unit you must also select a currency.

**Note:** Do not select the Use for Remuneration check box. This displays the balance that has been predefined as the Remuneration balance. Only one balance within a legislation can have this value.

5. To define a primary balance - one fed by a single element - select an element and input value in the Primary Balance region (if this region is available for your localization).
6. Go to the Balance Feeds window *or* the Balance Classifications window.

**In the Balance Feeds window:**

- Set your effective date to the start date for the balance feeds.
- Select one or more elements to feed the balance. Only those elements whose input values have the same unit of measure as the balance are listed.  
When you select an element, its classification is displayed. You can select elements with different classifications.
- Select the input value that is to feed the balance.  
For most payroll balances select Pay Value so that the element's run result feeds the balance.
- Select Add or Subtract for the balance feed.

**In the Balance Classifications window:**

- Select one or more element classifications and select Add or Subtract for each.



The run results of all elements in the classification will feed the balance.

The list includes all the primary and secondary element classifications that are valid for this balance. If you select a secondary classification, you cannot also select its parent primary classification.

**Note:** Secondary classifications are not used in the North American or Singapore versions of Oracle Payroll at this time.

### **Balance Dimensions Window**

7. Choose the Dimensions button.
8. Select the dimensions you require.

**New Zealand Users:** For each new balance, you must attach the balance dimension `_ASG_RUN` for it to generate run balances.

**Australian Users:** Select the `_ASG_RUN` and `_ASG_YTD` dimensions for all user-defined balances. You must attach the `_ASG_LE_YTD` and `_ASG_LE_RUN` dimensions to the allowance balances required in the Payment Summary reports.

You can remove any dimension previously selected for a user-defined balance. You can also add dimensions to the startup balances included with your system, and later remove these additional dimensions. However, you cannot remove the dimensions that were predefined for the startup balances.

**Note:** To hold balances for a fiscal year that is different from the calendar year, you must supply the fiscal year start date for your Business Group.

9. Optionally, select the Grossup Balance check box for *one* of the dimensions, to make the balance eligible for grossup.

**UK users:** If you want to make the balance eligible for grossup, you must select this check box for the `_ASG_RUN` dimension.

### **Initial Balance Feed Window**

10. Choose the Initial Feed button.
11. In the Initial Balance Feed window you can see details of the element and input value used for the Initial Balance feed. This feed is defined by implementation consultants prior to performing an initial balance upload at implementation time.

### **Balance Attributes window**

12. Choose the Attributes button.

13. Select an attribute definition and a dimension.

Balance attributes identify which balances can be used in which reports. Attributes can be predefined by localizations, created as a result of predefined defaults, or you can enter them in this window.

**Note:** For UK SOE Balances, ensure you attach the attribute to the Balances1 segment in the Business Group Information. Attach the attribute to each balance you want to display on the Online SOE. For every balance with an attached attribute, you must add individual balance to the SOE Details Information (in the Business Group Information).

The balances you attach to the SOE Details Information are defined at business group level, hence even if you change the user category profile it will not have any result on the data defined in the SOE Details Information.

**Additional Information: Saudi Users:** Oracle Payroll provides Saudi SOE Balance Attributes to view the SOE report. You can use the predefined balance attributes or create your own balance attributes.

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## Payrolls

### Payrolls Overview

Using Oracle HRMS, you can set up payrolls to pay all your employees accurately and at the correct time.

### Payrolls in Oracle HRMS

A payroll is a set of employees whose pay you process with a single frequency, for example, weekly or monthly. You can define as many payrolls as you require to meet the pay policies of your enterprise. You put an employee on a payroll by making an assignment to the payroll.

You can also assign employees to other employee groups: for example, groups to indicate membership of a union or employment based sports club.

### Key Concepts

To enable you to set up payrolls correctly, you need to understand these key concepts:

- Consolidation sets, *Oracle HRMS Payroll Processing Management Guide*
- Assignment sets, *Oracle HRMS Payroll Processing Management Guide*
- Element sets and distribution sets, *Oracle HRMS Compensation and Benefits Management Guide*

### Reporting on Payrolls

For more information, see Reports and Processes in Oracle HRMS, *Oracle HRMS Configuring, Reporting, and System Administration Guide*

## Payrolls

You can use Oracle Payroll to define a payroll, or range or payrolls that best suit your organizational needs.

### **Can you pay an employee with several assignments a single payment?**

Yes, Oracle Payroll enables you to pay a single payment to an employee with several assignments within your organization. You enable the payment by selecting the Multiple Assignment check box on the Define Payroll window.

### **Can you run payroll processes and reports multilingually?**

Payroll processes and reports are always submitted and always run in the local language only. This means that US and UK payroll reports can only be run in English. Canadian reports can be run in English or Canadian French.

### **How do you synchronise a payslip with the official payment date?**

Use the payslip offset on the Define Payroll window to specify the number of days between the completion of your payroll processes and the availability of employee payslips.

### **Is there any checklist that you must follow while running the various payroll processes?**

Oracle recommends that you follow this checklist while running the various payroll processes for that period:

- Do not update employee or assignment data while running the Payroll Run, Quickpay, Prepayment, Quick Prepay, Balance Adjustments, BEE, BAA, RetroPay, Costing, RetroCosting, Costing of Payments, Archiver processes . These processes access people as well as assignment data to derive results. Some of these processes are interdependent. An update to employee/assignment data can result in inconsistent results.
- Do not update element details, element link details, element entry details while running the Payroll Run, Quickpay, Balance Adjustments, BEE, BAA, RetroPay, Costing, RetroCosting processes as element details are accessed while running these processes for different assignments.
- Do not update organization, payroll, group details while running the Payroll Run, Quickpay, Prepayment, Quick Prepay, Costing, Costing of Payments, RetroCosting process.
- Do not update fastformulas while running the Payroll Run, Quickpay, Retropay

processes as fastformulas are accessed by these processes.

## Defining a Payroll

Use the Payroll window to define a payroll, including its calendar and valid payment methods.

### To define a new payroll:

1. Set your effective date to a date early enough to handle any historical information you want to enter. Your effective date must be on or before the first period start date of the payroll calendar.
2. Enter the payroll's name and select its period type from the list.
3. Enter the end date of the payroll's first period, and the number of years for which the system should initially generate the payroll's calendar. You can increase this number later to generate additional years.

When you enter the First Period End Date, make sure that the corresponding start date of the first period is on or after the start date of the payroll.

**Note:** The first period end date must be equal to the last day of the first period in the tax year in which you are planning to start running payrolls, or any earlier date in order for tax to be calculated correctly.

4. Enter any date offsets you require for the payroll. Offsets are calculated from the last day of the payroll period. As South African legislation requires all offset dates to be within the payroll period, your choice is between a negative integer, such as -2, and zero, which is the default. You can specify offsets for:
  - The action date for ACB payments. This date is displayed on the ACB header
  - The month end date. This affects weekly payroll frequencies where a month end occurs after 4 or 5 periods have been processed. For fortnightly payrolls, a month end occurs after 2 or 3 periods have been processed. The month end date determines when Month to Date balances must be reset.

**Note:** System-generated dates do not differentiate between working and non-working days. Therefore, if a date falls on a non-working day, you must make adjustments in the Period Dates window.

5. Select a default payment method for employees who have no valid personal payment method.

**Note:** You cannot select a method that uses magnetic tape because this requires information about employees' bank accounts.

6. Select a default consolidation set for this payroll. One consolidation set is created automatically when you define your business group. Oracle Payroll users can create other consolidation sets for payroll processing.

7. In the Costing region, you can enter information about the ledger and suspense account holding costing information for this payroll.

The information you enter here depends on the setup of your Cost Allocation key flexfield.

See: Setup of the Cost Allocation Key Flexfield, *Oracle HRMS Configuring, Reporting, and System Administration Guide*

8. Check the Arrears Payroll check box if you want to use Advance Pay for an arrears payroll. You do not need to check the box just to run an arrears payroll.

See: Advance Pay Process, *Oracle HRMS Payroll Processing Management Guide*

9. Check the Negative Payment Allowed check box if you want the pre-payments process to include negative payments. If you leave the box unchecked, the pre-payments process ignores negative payments.

10. If you are an Oracle Payroll user, click in the Statutory Information field to display the segments of the ZA Statutory Information flexfield and enter the ACB details for the payroll.

**Warning:** If ACB information is not required for this payroll, enter any value into the ACB fields, for example, enter 1, but *do not* leave the ACB fields blank.

**Note:** The statutory information field is not visible if your HR: User Type option is set to HR User only.

- Enter the ACB user code for the payroll. Multiple payrolls can have the same user code.

If the business group's ACB user type is Single, this user code must be the same as the ACB Installation ID Code.

To enter a business group's ACB user type, see: Business Groups: Entering ACB Installation Information, page 1-30.

- Select the ACB service type. This is the number of days that ACB must receive

the file prior to payment.

- Enter the user abbreviated name. This is determined by ACB.
  - Enter the registered aggregate limit if you want Oracle Payroll to issue a warning message if the limit is exceeded. This limit is the total of all ACB payments that can be made for the selected payroll.
  - Enter the item limit if you want Oracle Payroll to issue a warning message if the limit is exceeded. This limit is the total ACB payment that can be made for a single assignment.
  - Enter a Payroll IRP5 Number. This number will form part of the tax certificate number and will appear after the period of reconciliation in the the tax certificate number.
  - Enter the maximum number of advance holiday periods that can be paid, as determined by your business rules.
  - Enter the default pension basis for the enterprise.
11. Save your work.
  12. Choose the Period Dates button to view the calendar generated for your payroll. In the Period Dates window:
    - You can view the default offset dates for every period, and you can manually override any of these dates in any record.
    - You can change the payroll's default status *Open* in any period to *Closed* to prevent further element entries. You can also reopen the period if necessary.
  13. Choose the Valid Payment Methods button to add valid payment methods for this payroll.

In the Valid Payment Methods window, the default payment method for the payroll appears automatically. You can add other methods. First set your effective date to the date you want the method to become valid.

**Note:** An employee assigned to this payroll can have any number of personal payment methods chosen from those you enter here for the payroll.

See: Entering Payment Methods for an Employee Assignment, *Oracle HRMS Enterprise and Workforce Management Guide*





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## Payslip Modeler (Simulation)

# Payslip Modeler (Simulation)

## Payslip Modeler Overview

The Payslip Modeler enables employees and payroll administrators to model a paycheck/payslip by running a mock payroll run.

Employees can use this feature to make decisions regarding various benefit options and savings using the estimates. They can check their estimated take-home pay based on an upcoming bonus or tax refunds.

Payroll administrators can use this feature to answer employee queries or to perform what-if analysis.

The terms Payslip Modeler/Paycheck Modeler refer to the same functionality. The application displays these terms depending on your localization.

The Payslip Modeler feature is enabled by default for these localizations:

- Australia
- India
- Canada
- Mexico
- US
- South Africa
- UK

Contact your system administrator to check if this feature is available for your localization.

For more information, see *Using Payslip Modeler, Oracle Self Service Human Resources Deploy Self-Service Capability Guide*

See: Setting up Payslip Modeler, page 6-2

## Setting Up Payslip Modeling

Before you can use the Payslip Modeler, you must ensure to set up the following:

1. Set the profile option **HR: Enable Payroll Simulation** to Yes to use this module. If the profile option is set to No, you cannot use the Payslip Modeler.

See: User Profiles, *Oracle Human Resources Management Systems Configuring, Reporting, and System Administration Guide*

2. Set the profile option **HR: Enable Multiple Assignments for Payroll Simulation** to Yes to select the secondary assignment when there are multiple assignments. If set to No, then you can run the payslip modeler process on the primary assignment only.

See: User Profiles, *Oracle Human Resources Management Systems Configuring, Reporting, and System Administration Guide*

3. Enable or disable the payslip modeler at the Payroll level by specifying Yes in the **Enable Simulation** field. You cannot run a payroll run and payslip modeling simultaneously. If the Payslip Modeler is enabled, then you can set the locking period, which is the number of days before and after the specified date when the payslip modeler is enabled to make the changes. This restricts users from making updates to payroll information while modeling their payslip during a mock payroll run during the specified period.

See: Defining Payroll, *Oracle HRMS Payroll Processing Management Guide*

4. Specify the document type as **Payslip Modeler** in the Self-Service Preference window at the business group level or the organization level.

See: Entering Self Service Preference Information, *Oracle HRMS Enterprise and Workforce Management Guide*

5. Create an element set and include the elements that you want to exclude from being processed in the modeling process. Specify the element set in the **Modeler Exclusion Element Set** field in the Self-Service Preference window at the business group level or the organization level. This skips the elements within the element set from being processed while running a modeling process.
6. Specify the **Payroll Simulator Template** in the Self Service Preference window at the business group level or organization level. If no template is specified, then the application uses the default template to generate the model payslip.

The following table lists the predefined templates that are available for different localizations.

#### ***Predefined Templates***

<b>Localization</b>	<b>Predefined Template</b>	<b>Technical Name</b>
Australia	AU Payroll Simulator Template	PAYAUPSSM

Localization	Predefined Template	Technical Name
India	IN Payroll Simulator Template	PAYINPSSM
Canada	CA Payroll Simulator Template	PAYCAPSSM
Mexico	MX Payroll Simulator Template	PAYMXPSSM
US	US Payroll Simulator Template	PAYUSPSSM
UK	UK Payslip Template	PAYGBPSSM
South Africa	ZA Simulated Payslip Template	PAYZAPSSM

**Note:** You can also create your own template associated with the Data Definition PAY<LEG\_CODE>SIMPAYSLIP.

See: Entering Self Service Preference Information, *Oracle HRMS Enterprise and Workforce Management Guide*

- To enable an element to be available for payslip modeling, query the element and select Yes in the **Enable Simulation** field in the **Element Extra Information** window. You can enter input values for this element required for simulation in the Element Description window.

**Important:** Only user enterable input values are available for Payslip modeling.

If the **Multiple Entries** check box is enabled for an element, then you cannot use this element for payslip modeling. Instead, create a copy of the base element, enter input values, attach the appropriate formulas and balances as the base element and then use this element for payslip modeling. Ensure that this new element is not used for payroll run.

It is necessary to create a new element for the corresponding Multiple Entries Allowed element and set up the new element as Yes for Enable Simulation. Ensure to specify the previously created element as Original Element under Simulation Details for the new element. Enter input values, attach the appropriate formulas

and balances to the new element. This is to ensure that Simulation ignores the Original element entries in Simulation run and uses only new element entry.

### **Example to Understand the Restrictions on Multiple Entries Allowed Enabled Elements**

You cannot select Yes for the Multiple Entries Allowed enabled elements. This is an expected behavior of Paycheck/Payslip Modeling.

For example, consider an employee with an Overtime element. This element entry is added on the days when an employee works overtime. In a month, if the employee does overtime for 10 days, then this element entry gets added 10 times. If the employee wants to model a paycheck and view the net take home after working overtime for 10 days or more, then it will not be practical to add 10 entries for 10 days in the Paycheck Modeling page. Instead, the employee can add the total overtime hours. Therefore, you can use an element that indicates the total overtime hours for the pay period instead of each day. If there are already some Overtime entries added to the employee in the application for the current period, then it is necessary to suppress these entries when the employee tries to model overtime hours so that Paycheck Modeling/Simulation gives desired results depending on the inputs.

To handle this scenario, the Overtime element (the elements with Multiple Entries Allowed) is not allowed to be directly enabled for simulation. Instead, it is necessary to create a new element to support simulation.

The element created for simulation can have validations to the input values. Specify any rules or validations on the maximum number of hours that can be entered, for example, overtime entries can accept a maximum of 5 hours per day, then these can be relaxed in the new element to suit the requirement of simulation so that 50 hours can be entered for the complete month in a single entry.

For the new element, it is necessary to specify the existing Overtime element as the Original Element in the Simulation Details. This will ensure that whenever the employee tries to model overtime hours using the new element, then any existing overtime element entries are ignored during Paycheck Modeling/Simulation.

See: Defining Elements, *Oracle HRMS Compensation and Benefits Management Guide*

**Note:** There is a restriction for the predefined elements being used for payslip modeling. For predefined elements, if you set up the details in one business group, then these details will be accessible to other business groups. For example, it is not possible to enable Input Value A for one business group and Input Value B for another business group for the predefined element Regular Salary. This limitation occurs for predefined elements applicable to all localizations. Therefore, if there are multiple business groups, then you must define a single structure for the predefined elements.

If there are custom elements, then the custom elements are

accessible only for that business group.

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# Payroll Payment and Distribution

## Payroll Payment and Distributions Overview

Using Oracle HRMS you can define payment methods for your enterprise and define any rules for validating or processing the distribution of pay.

## Payroll Payment and Distributions in Oracle HRMS

You provide for payment and distribution by defining payment methods for your enterprise and then specifying which of these organizational payment methods are valid for the payrolls that you create. This enables you to set up a flexible pattern of payment in which you can pay individual employees by a single payment method, or by a combination of valid payment methods.

## Key Concepts

To enable you to set up payment and distributions correctly, you need to understand these key concepts:

- Payment methods for your enterprise, *Oracle HRMS Payroll Processing Management Guide*
- Cash Management and Oracle Payroll, page 7-4

## Reporting on Payroll Payment and Distributions

See: Reports and Processes in Oracle HRMS, *Oracle HRMS Configuring, Reporting, and System Administration Guide*

## Payroll Payment and Distributions

You can use Oracle Payroll to calculate the payments and distributions for all your

employees

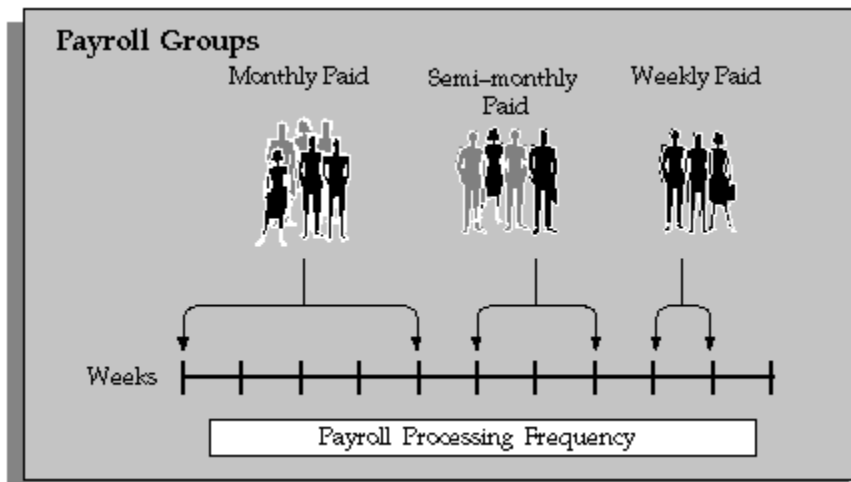
## Can you verify that payments have been made?

Yes. Oracle Payroll is fully integrated with Oracle Cash Management. This enables you to use Oracle Cash Management to verify that payments have been cashed. Reconciliation can be applied to payroll checks/cheques and third party checks/cheques. You can identify which checks/cheques have been cleared and the date on which they were cleared. You can also view a reconciliation report which shows if voided checks/cheques appear to have been cashed.

## Can Oracle Payroll handle different pay frequencies?

Yes--you can set up different pay frequencies, for example weekly or monthly, so that you can pay different sets of employees at different intervals. Each payroll can only have a single pay frequency and you must set up at least one payroll for each pay frequency that you define.

### *Multiple payrolls in a Business Group*



**Note:** Semi-monthly is not a valid frequency for UK payroll users.

## Can you group employees according to payroll categories in your organization?

You can assign people to any work structure such as an employment category or a particular location. You can also define a special grouping for your organization. For example, you can create a group to indicate membership of a union.



## **Can you set up a payroll to process multiple assignments for an employee?**

Yes. If the Multiple Assignment Prepayments has been enabled for your localization, you will see the Multiple Assignment check box on the Payroll window. The process is activated by selecting the Multiple Assignment check box.

## **Do you have flexible control over payment methods?**

You can define a payroll to include different types of payment method - for example, payment by bank transfer, payment by check/cheque, and so on. When you process the payroll you can then pay the set of employees for that payroll in any of the following ways:

- All employees receive payment by a single default payment method for their payroll.
- Employees receive payment by a combination of the payment methods that you have defined for their payroll.
- Individual employees receive payment that can be distributed between the defined payment methods in proportions different from those applying to other employees belonging to the same payroll.

## **Can you model your payslip?**

Yes, you can model your payslip, if the Payslip Modeling functionality is enabled for your localization. Contact your system administrator to check if it is available for your localization.

Employees and payroll administrators can model a paycheck/payslip by running a mock payroll run.

# Post Run Processes

## Cash Management and Oracle Payroll

Oracle Cash Management manages and controls the enterprise cash cycle. The Cash Management auto reconciliation matches Oracle Payroll against bank statement lines if the transaction meets the following criteria:

- The Oracle Payroll payment number matches the statement line payment number.
- The Oracle Payroll payment amount matches the statement line payment amount.

Cash Management accesses a view of payments generated by Oracle Payroll and compares it against the information on the bank statement. This process generates error messages on mismatched transactions.

Each time a new payment method is created, the bank details transfer to Oracle Accounts Payable. When defining a payment method, you must enter the **GL Cash Account** field to work with Cash Management.

**Important:** Because payment method details are passed to Accounts Payable from Payroll, it is important to ensure that you are entering this information correctly. If you inadvertently enter incorrect details, you could end up with reconciliation issues later.

Cash Management is available only for the Payroll payment methods of checks/cheques and electronic fund transfers (such as NACHA in the U.S, Direct Deposit in India).

For information on the payment methods and the reconciliation functions for the different localizations, see *Setting Up Integration of Cash Management with Oracle Payroll for EFT Reconciliation*, *Oracle Payroll Processing Management Guide*

**Important:** If you want to use Cash Management fully, you must install Oracle Accounts Payable and Oracle Accounts Receivable due to the interdependency of the products. All accounting functions take place in Accounts Payable and Accounts Receivable, and Cash Management provides the engine for reconciliation and forecast.

## Setting Up a Global Statement of Earnings

Oracle HRMS enables you to view the online statement of earnings (SOE). To enable the correct display of values on your statement of earnings, you must complete each of these setup steps.

**To set up the global statement of earnings:**

1. Create a user category through the lookup SOE\_USER\_CATEGORY.  
See: *Creating User Types and Statuses, Oracle HRMS Enterprise and Workforce Management Guide*
2. Set the value of the user category that you created as the profile value for the profile PAY: Statement of Earnings User Category.  
See: *User Profiles, Oracle HRMS Configuring, Reporting, and System Administration Guide*
3. Add the predefined element sets for your earnings and deductions to the SOE Information EIT at the business group level.  
**For Canadian and US users only:** SOE Information functionality is not available for Canadian and US legislations.  
**Swedish users only:** Ensure that you have enabled your elements to display a code. You do this at the business group level by entering Extra Element Details for each element. When you select the EIT, you can make a further selection of Element Name, and specify a code for your selected element. This ensures that your SOE displays the element code in the earnings, deductions, and information regions.  
See: *Business Group: Entering SOE Information, page 1-32*
4. Create an element set containing all the elements that you want to see displayed in the information region of the SOE.  
**For South Africa only:** The Information region has been renamed to Fringe Benefits and Other Non Payments region. You use the predefined ZA SOE Fringe Benefits and Other Non Payments element set to display information in that region. You enter this element set in the Elements 3 field when you define your SOE Information at business group level.  
The South African localization does not use balance attribution.  
Users should now restart the Apache server as instructed in the final step.
5. Complete the SOE Detail Information EIT by adding the elements in your element set, and the SOE display balances to the EIT at the business group level.  
See: *Business Group: Entering SOE Detail Information, page 1-33*
6. Link the predefined SOE balance attribute to your business group. The attribute name is likely to have a leading localization code followed by the stem `_SOE_BALANCE_ATTRIBUTES`.
7. Define the attributes for your SOE balances.
8. Restart the Apache server and then check the SOE to ensure that the SOE displays

the requirements that you selected.

## Viewing Statement of Earnings

Oracle Payroll enables you to view an employee's statement of earnings (pay advice) without having to run the Pay Advice report.

You do this using the Statement of Earnings window.

There are various ways to access statement of earnings information. The information displayed may vary depending on whether you have run the PrePayments process or just a payroll run.

The information displayed in the Statement of Earnings window reflects the information in the printed pay advice.

The payroll run generates four types of Statement of Earnings (SOE):

- Primary Assignment Action SOE for each employee and shows aggregate Year to Date balances
- Regular Payroll Run SOE for each employee and shows Period to Date and Year to Date balances
- Separate Check SOE only if employee has an element with Separate Check input value set to Yes
- Tax Separate Run SOE if employee has an elements with any of the following input values:
  - Separate Check set to Yes
  - Tax Separately set to Yes
  - Deduction Processing is set to other than All

**Canada only:** The Payroll Run SOE displays the primary assignment action for the main record and multiple records for second and third layer run types.

If you are processing Multiple Assignment Payments, then the PrePayment Statement of Earnings displays consolidated earnings and deductions information. The header information displayed on the Statement of Earnings is obtained from the primary assignment; however, if this assignment is not processed, then the header information is taken from the first assignment processed in the PrePayment process.

### **To view the last payroll with PrePayments run against it:**

Perform one of the following:

- Select View and select Statement of Earnings.

- From the Assignment window, choose Others and select Statement of Earnings.
- Choose the Statement of Earnings window in Fastpath.

**To view the most recently run QuickPay results:**

1. From the Assignment window, choose Others and select QuickPay.
2. Choose View Results, and select Statement of Earnings from the View Results window.

**To view the statement of earnings information without running PrePayments:**

See Viewing Assignment Process Results for an Assignment or Viewing Assignment Process Results for a Payroll Assignment.

## Setting Up ACB

To make direct deposits through ACB, you must provide details of the source and destination banks and of the amount to be transferred to each employee.

There are several stages to setting up and running ACB in an organization:

1. Load ACB bank codes.  
See: Loading CDV Bank Codes, page 7-9.
2. Enter ACB installation information for the organization.  
See: Business Groups: Entering ACB Installation Information, page 1-30
3. Enter ACB user information.  
See: Defining a Payroll, page 5-3

You can now run the ACB process. This involves:

- Creating the ACB file., page 7-7.
- Creating the ACB tape., page 7-7.
- Viewing the results., page 7-7
- Retrying the ACB process,, page 7-7 if required.

## Running the ACB Process

The ACB process produces an output file which conforms to the format described in the

ACB User Manual.

You must process Pre-Payments before you can perform this procedure.

You run this process from the Submit Request window.

### **Creating the ACB File:**

To create the ACB file

1. Select ACB in the Name field.
2. Select the payroll and consolidation set for which you are creating ACB output in the Parameters window.  

You can leave the Payroll Name field blank if you want to include payments from all payrolls in the consolidation set. However, you must enter a consolidation set.
3. Enter a start date to restrict the ACB payment to unpaid prepayments from that date. If you leave this field blank, all unpaid prepayment runs will be included.
4. Enter the end date of the ACB process. This date must be the same as the end date specified in the prepayments process.
5. Select an ACB payment method.
6. Enter the date the transactions must be actioned by ACB In the Overriding Pay Date field. Leave blank if the action date from the payroll period dates must be used.
7. Enter the tape serial number of the magnetic tape. This number must correspond to the label you stick on the tape.
8. Select a submission flag. The submission flag for test tapes creates installation and user generation numbers of TEST in the ACB output file.
9. Choose the Submit button.

### **Creating the ACB Tape:**

You use the output file created by the ACB process to create the ACB tape. This output file is in the \$ORATMP/\$APPSLOG directory. The output file name is in the format p<request\_id>.mf. The request ID is allocated to you by Oracle Payroll for your ACB process.

### **Viewing the ACB Process Results:**

In addition to the magnetic tape file, the ACB process produces an electronic transfer schedule, tape delivery advice and data control voucher. You can view or print these text files:

- p<request\_id>.a01 - Electronic Transfer Schedule
- p<request\_id>.a02 - Tape Delivery Advice
- p<request\_id>.a03 - Data Control Voucher

### **Retrying the ACB Process:**

If the ACB process contained errors, you must roll back and resubmit the process.

You run this process from the Submit Request window.

### **To roll back the ACB process:**

1. Select Rollback in the Name field.
2. Select the process type for the magnetic transfer that you want to rollback, in the Parameters window, and select the assignment set.
3. Choose the Submit button.

This process resets the user generation number on the tape. If the user type is Bureau, the installation generation number is not reset, but is incremented by one.

## **Loading CDV Bank Codes**

You must load bank branch information in order to record bank account details for your employees. You do this by running the CDV Bank Name User Table Set Up Process and the CDV Data Load Process.

You must obtain a copy of the latest bank branch details file before you can run the CDV Data Load Process. It is your responsibility to ensure that you regularly update your file to acquire any new or updated bank/branch details.

You run both processes from the Submit Request window.

Loading bank branch details is usually a task for your system administrator.

### **To load bank ranges:**

1. Select CDV Bank Name User Table Set Up Process in the Name field.
2. In the parameters window, select which run option is applicable:
  - Copy To All
    - This copies the ranges that exist in the user table for the current business group to all other business groups. If the user table does not exist then the script creates it using predefined data.

- Force Update
  - This copies the predefined bank name/branch code ranges to all business groups and overwrites any changes made to the user table.

3. Choose the Submit button.

**Note:** This process creates the ranges as custom data. You can modify the branch code ranges and bank names if necessary. You can run this process selecting the Copy To All option to copy your changes to all other business groups and update the pay\_za\_branch\_cdv\_details table.

#### **To copy the bank branch details file:**

1. Copy the bank branch details file to filename pyzabank.ldt in the UNIX directory: \$PAY\_TOP/patch/115/import

#### **To load bank branch details:**

1. Enter CDV Data Load Process in the Name field, in the Submit Request window.
2. Choose the Submit button.

## **Setting Up and Processing Credit Transfer Payments**

The credit transfer payments process enables you to make direct payments into employee bank accounts by submitting deposit schedules and cheques to each bank.

In order to process credit transfer payments, you need to run the following reports and processes as indicated.

1. Start the credit transfer process, which is required for all credit transfer payments.  
See: Running the Credit Transfer Process, page 7-11
2. Create the deposit schedules for each bank. This is required for all credit transfer payments.  
See: Running the Deposit Schedule Report, page 7-11
3. Create a list of the cheque payments required for each bank. You can do this after running either report or after running both reports:
  - Deposit Schedule (when the report will list the cheques for each bank branch with a status of Unpaid)



- Credit Transfer Cheque Payments report (when the report will list the cheques for each bank branch with a status of Paid)  
See: Running the Credit Transfer Payments Report, page 7-11 This step is optional.
4. Update the HRMS system with the cheque numbers if you issued any cheques manually. Otherwise, ignore this step.  
See: Running the Manual Credit Transfer Cheque Payments Process, page 7-11
  5. Create cheques for each bank automatically. If you are writing all cheques manually, you can omit this step.  
See: Running the Credit Transfer Cheque Payments Process, page 7-11  
If the standard cheque format does not meet your requirements, you can define a new layout.  
See: Adding Your Own Cheque Report, page 9-16.
  6. Void any incorrect cheque payments if required.  
See: Voiding Credit Transfer Cheque Payments, page 7-11

## Running the Credit Transfer Payments Reports and Processes

These reports and processes enable you to process credit transfers from the selected payroll or consolidation set and to produce the deposit schedules and cheques required for each bank.

### Running the Credit Transfer Process

You run this process to mark as paid all assignments with the selected payment method.

You run this process from the Submit Request window.

#### To run the Credit Transfer report:

1. Select Credit Transfer in the Name field.
2. Select the payroll or consolidation set for which you are creating credit transfer payments in the Parameters window.
3. Enter the start date from which credit transfer payments must be made. If left blank, Oracle Payroll will process all credit transfer payments that have not been paid up to the specified end date. Your effective date is used as the default.
4. Select the payment method.

5. Enter the start cheque number. This cheque number is used on the aggregated cheque payment which accompanies the deposit schedule to the banks.
6. Choose the Submit button.

### **Deposit Schedule Report**

You submit this report to a bank with a cheque for the payment of salaries.

You run this report from the Submit Request window.

#### **To run the Deposit Schedule report:**

1. Select Deposit Schedule in the Name field.
2. Select the payment run in the Parameters window.
3. Choose the Submit button.

### **Running the Credit Transfer Payments Report**

You can run the Credit Transfer Payments report after running either process or after running both processes:

- Credit Transfer process. The report shows the cheque values per bank branch (with a status of unpaid for each payment) to enable you to write out manual cheques for the cheque values shown.
- Credit Transfer Cheque Payments process. The report shows the cheque values per bank branch, with a status of paid.

You run this report from the Submit Request window.

#### **To run the Credit Transfer Payments report:**

1. Select Credit Transfer Payments in the Name field.
2. Select the payment run in the Parameters window.
3. Choose the Submit button.

### **Running the Manual Credit Transfer Cheque Payments Process**

This process updates the system with the numbers of any manual cheques that were issued. It ensures that the bank does not receive both a manually created and automatically created cheque for the same payment.

You run this process from the Submit Request window.

**To run the Manual Credit Transfer Cheque Payments process:**

1. Select Manual Credit Transfer Cheque Payments in the Name field.
2. Select the payment run and the payroll name in the Parameters window.
3. Select the clearing number for the bank branch that will be provided with a cheque to accompany the deposit schedule.
4. Enter the number of the cheque issued to the bank branch.
5. Choose the Submit button.

**Running the Credit Transfer Cheque Payments Process**

You run this process to produce the cheque payments to each bank branch on a default cheque layout. Two standard cheque layouts are provided:

- Default cheque. This is not pre-numbered.
- Pre-numbered cheque.

You run this process from the Submit Request window.

**To run the Credit Transfer Cheque Payments process:**

1. Select Credit Transfer Cheque Payments in the Name field.
2. Select the payment run in the Parameters windows.
3. Enter the start and end dates for the process. If the end date is left blank, all unpaid cheque payments will be processed in this run. Your effective date is used as the default.
4. Enter the first cheque number of your cheque sequence. If required, you can also enter the last cheque number,
5. Select the cheque style:

If you select Default, this selects the sample cheque report, PYZACTCH. The default cheque style generates and prints the cheque numbers on the cheque.

If you select Pre-numbered, this selects the sample cheque report PYZACTC2. The pre-numbered cheque style generates the cheque numbers but does not print the number on the cheque.

6. Choose the Submit button.

### **Voiding Credit Transfer Cheque Payments**

This process voids aggregated cheque payments made to banks, for example, if there is a cheque printing error or if the printed cheques have been mislaid. The process marks as void cheque payments made to employees with the credit transfer payment method.

You run this process from the Submit Request window.

#### **To run the Void Credit Transfer Cheque Payments process:**

1. Select Void Credit Transfer Cheque Payments in the Name field.
2. Select a payment run in the Parameters window.
3. Enter the date on which the cheque payments must be voided. Your effective date is used as the default.
4. Enter a reason for voiding the cheque issue, if you want.
5. Enter the start and end numbers of the cheque sequence you are voiding. For single cheques, enter the cheque number in both fields.
6. Choose the Submit button.

## **Viewing Breakdown of Balances**

Oracle HRMS allows you to view the breakdown of context-sensitive balances.

#### **To view breakdown of balances:**

1. Navigate to the Balances window (People > Enter and Maintain > Assignment > QuickPay > View Results).
2. Query the required balance. The Balances window displays the Breakdown section.
3. You can verify the Source Text and Value in the Breakdown section.

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# Payroll Statutory Deductions and Reporting

## Payroll Statutory Deductions and Reporting Overview

Oracle Payroll enables you to calculate an employer's tax liability and deduct the appropriate sums from employee earnings. You can calculate employer and employee tax liabilities for all the taxes and statutory deductions that are applicable to your country. For example, this includes employer liability for state taxes such as State Unemployment Insurance and employee liability for federal, state and local taxes in the US, PAYE and NIC in the UK, PAYE, PRSI and USC in Ireland, Social Security, Unemployment and Complementary Pension in France, Standard and Special tax and Social Insurance in the Netherlands, and so on.

In each instance, Oracle Payroll enables you to enter details of the tax liability and process it at regular intervals.

## Reporting on Payroll Statutory Deductions

See: Reports and Processes in Oracle HRMS, *Oracle HRMS Configuring, Reporting, and System Administration Guide*

## Payroll Statutory Deductions and Reporting

Oracle Payroll allows you to process tax and insurance deductions for employers and employees, and helps you comply with the legislative requirements applying to your organization.

## Is Oracle Payroll flexible enough to calculate different legislative taxes?

Yes. Oracle Payroll supports many country specific models of taxation, including the local, federal and state tax requirements of organizations operating in the US.

### **Is the entry of tax details flexible enough to meet my organizational needs?**

Yes. You can calculate taxes for different types of employer to represent the diversity of your organization. You can also make retrospective adjustments to allow for overpayments and underpayments.

### **Is Oracle Payroll capable of processing the latest taxation updates?**

Yes. The details of taxation policy and social security entitlements are constantly changing, but Oracle Payroll is always promptly updated so that your processing includes the most recent updates.

### **Can Oracle Payroll transmit PAYE information electronically? (UK only)**

Yes. EDI allows two-way electronic transmission of documents between the Inland Revenue and employers. Oracle UK Payroll has developed a specified formatted file that, if used in conjunction with third party software, can be transmitted electronically to the Inland Revenue.

### **Can you record P11D details and submit an annual return? (UK Only)**

You can use Oracle HR to update your records throughout the year to show all the Class 1A National Insurance contributions for which your organization is liable. You can make this information available to employees so that they can preview their NI liabilities. You can then generate a report to view the final details and you can submit the complete and validated records to the Inland Revenue to comply with all reporting requirements.

# Payroll Statutory Deductions and Reporting

## PAYE in Oracle Payroll

Oracle HRMS for South Africa provides as startup data all the elements, balances, global values, tax abatements, tax rebates, tax tables, and other components needed to correctly administer PAYE.

If you include employees in more than one payroll run each processing period, Oracle Payroll's calculations for tax deductions take into account the sums already deducted in that period.

The system provides balances for taxable income, pre-tax deductions, tax, and PAYE. These include dimensions that correctly sum up all the necessary run results. The Tax balance is fed only by the amount of tax paid. The run results passed to the taxable income balance, however, are identified by balance feeds that you define. On termination of an employee or at the end of the tax year, the system calculates PAYE using the days worked in the tax year and the number of days in the current tax year.

The last payroll process or quickpay in a tax year (either quickpay or payroll run on last period of the tax year or quickpay or payroll run post termination) ensures that, for a given assignment, the amount in the Tax balance is transferred to the PAYE balance. During the year end reconciliation, the PAYE balance is used by the application to determine, what type of certificate should be issued.

## Implementing Startup Data

The following table shows the tax deduction elements defined by Oracle Payroll for South Africa for PAYE administration and supplied as part of startup data.

Name	Processing Type	Classification	Priority
ZA_Tax	Recurring	Statutory Deductions	8500
ZA_Tax_Costing	Recurring	Statutory Deductions	8800
ZA_Voluntary_Tax	Recurring	Statutory Deductions	8502
ZA_Tax_On_Lump_Sums	Non-recurring	Statutory Deductions	8500
ZA_Tax_Override	Non-recurring	Statutory Information	6500

Name	Processing Type	Classification	Priority
ZA_Tax_Balance_Adj ustments	Non-recurring	Statutory Information	6500
ZA_Tax Bal Adjust Ret Fund LS	Non-recurring	Statutory Information	6500
ZA_Tax Balance Adjustments LS	Non-recurring	Statutory Information	6500
ZA_Tax_On_Multiple _Lump_Sums	Non-recurring	Statutory Deductions	8200
ZA_Tax_On_Multiple _Ret_Fund_Lump_Su ms	Non-recurring	Statutory Deductions	8200
ZA_Tax_RR_FF	Recurring	Statutory Deductions	8450
ZA_Tax_On_Ret_Fun d_Lump_Sums	Non-recurring	Statutory Deductions	8800
ZA_Tax_PAYE_Empl oyer_Contribution	Non-recurring	Employer Contributions	10500
ZA_Tax_PAYE_Empl oyer_Contribution_N TG	Non-recurring	Employer Contributions	10501

For correct usage of ZA\_Tax Override element, see: Tax Override, page 8-7

You must link these elements to the appropriate payrolls before they can be given to employees and included in payroll runs. If you have set up segments of the Cost Allocation key flexfield to receive entries at the element level, you should enter these account codes in the Element Link window when you link the ZA Tax elements to your payrolls.

**Note:** The recurring ZA\_Tax element can process after termination to allow for payments to employees after their termination date.

You enter a tax status for an employee using the ZA\_Tax element. The following statuses are predefined:



<b>Tax Status</b>	<b>Description</b>
Normal	This is the default tax status. Tax is calculated using the tax tables.
Provisional	Tax is calculated in the same way as for Normal Tax Status.
Directive Amount	The amount specified in the Directive Value input value is deducted.
Directive Percentage	The percentage specified is applied to the employee's year to date income and any tax paid to date is subtracted in order to arrive at tax due this run.
Close Corporation	Taxed at the percentage stored in the ZA_CC_TAX_PERC global value.
Labour Broker	No tax will be deducted
Personal Service Company	Taxed at the percentage stored in the ZA_PER_SERV_COM_PERC global value.
Personal Service Trust	Obsolete.
Private Director	Tax is calculated using the tax tables.
Private Director Zero Tax	No tax will be deducted.
Private Director with Directive Amount	The amount specified will be deducted from the Director's income.
Private Director with Directive Percentage	The percentage specified will be used in calculating the tax due.
Seasonal Worker	The calculation is performed based on the number of days worked.
Temporary Worker/Student	Taxed at 25%.
Zero Tax	No tax will be deducted

## Tax Calculation - High Level Overview

There are various methods of calculating tax in South Africa. Oracle HRMS for South Africa has implemented the cumulative and average methods of annualization when calculating tax. In the cumulative method, an employee's income is projected to arrive at an estimated annual value, the tax tables are applied to this value, and the resultant annual liability is de-annualized to calculate the employee's liability for the current period. The average method makes use of a period factor which is calculated as follows: The total number of days in a year is divided by total number of pay periods in a year. This method multiplies this value by the number of months worked and thereafter adds the number of days worked. In this method, the total income is divided by the period factor and then multiplied by the total number of days in a year to arrive at annualized income. The de-annualized tax is calculated by dividing the annual tax by the total number of days in the year and multiplying that value by the period factor.

You can set the default tax method for a new employee as follows:

1. Navigate to Element Link window.
2. Date track to Start of the next Tax Year and query for Element 'ZA\_Tax'.
3. Choose Input Values and select Tax Method.
4. Select Cumulative or Average as Default and update.

**Note:** For existing employees, you must use BEE functionality to perform a date track update for ZA\_Tax element input value Tax Method. You can update the ZA\_Tax element for individual assignments.

## Taxation of Director's Remuneration

These four tax statuses cater for the taxation of director's remuneration:

- Private Director: Tax will be calculated using tax tables.
- Private Director with Directive Amount: The specified amount will be deducted from the director's actual income.
- Private Director with Directive Percentage: The specified percentage will be applied to the actual income and paid by the director.
- Private Director Zero Tax: No tax will be deducted.

See PAYE in Oracle Payroll, page 8-3

## Tax Year End Reporting on Director's Remuneration

Directors are often paid income in the current tax year that accrued in the previous tax year. SARS has specified that this income must not be taxed in the payroll and must be reported separately on an IT3a tax certificate with a reason code of 06. To produce this separate IT3a, you must create a separate assignment for the director and allocate a tax status of Private Director Zero Tax. Any income paid in the current tax year but accrued in a previous tax year must be paid using this assignment.

## Tax Override

You override the tax calculation using the ZA\_Tax Override element. However, you must use this functionality within the bounds of the existing Tax Legislation and it should be strictly controlled and subject to internal audit.

There are three types of override:

- SITE Calculation

This forces a SITE Calculation to process in the following payroll run. In other words, the Tax Module recalculates the employee's tax liability for the year to date and then either refunds or recovers any outstanding tax in the current run where possible.

**Note:** If you select this option, any entries you make in other input values will be disregarded.

- Tax Amount

This option causes the tax calculation to be overridden by the amount you specify. If you select this option, you must enter an amount in the 'Tax on Normal Income' and/or 'Tax on Annual Payments' input values. These feed the Tax balance and the corresponding Tax On balances.

**Note:** If you do not enter an amount in the 'Tax on Normal Income' and/or 'Tax on Annual Payments' input values, then no tax will be deducted.

- Tax Percentage

This option causes the tax calculation to be overridden by the percentage specified by you. To arrive at the tax liability the employee's taxable income is calculated normally (so an annual income figure is calculated and the abatements are subtracted from this). The override percentage specified is then applied to the taxable income, instead of applying the tax table values. The tax calculation then proceeds as normal to arrive at the tax to be deducted in the 'override' run. This

means that the annual tax liability is de-annualized.

**Note:** If you select this option and do not enter a Tax Percentage, then no tax will be deducted.

You can use the Amount/Percentage Override in a SITE run. However, please note that it is not possible for the Tax Module to correct any over or under deductions resulting from the override.

## Identifying a Processed Override

When Oracle Payroll processes an override for an assignment, a message is generated in the pay run that indicates which type of override has been processed. Additionally, the Override element appears in the Run Results.

Oracle Payroll corrects any over/under deductions resulting from an override in the subsequent payroll run(s).

## Tax Statuses and the Tax Override

The Tax Override functionality should not be used for an employee with a tax status of Zero tax as the assignment will complete in error in the payroll run. Other incompatibilities are:

Tax Override Type	Assignment Tax Status	Result
Percentage	Directive Amount, Private Director Directive Amount	Assignments error in payroll run
Percentage with a Value of Zero or Blank	All Fixed Percentage tax statuses: Directive Percentage, Private Director Directive Percentage, Close Corporation, Temporary Worker/Student, Personal Service Company, and Labour Broker	Refund of all tax paid during the tax year

<b>Tax Override Type</b>	<b>Assignment Tax Status</b>	<b>Result</b>
SITE Calculation	Directive Amount, Directive Percentage, Private Director Directive Percentage, Private Director Directive Amount, Close Corporation, Temporary Worker/Student, Personal Service Company, Labour Broker and Seasonal Worker	Assignments error in payroll run

## Running the Income Tax Ref No Bulk Upload Process

Use the Income Tax Ref No Bulk Upload concurrent program to upload bulk income tax reference numbers and to generate a report of the processing of the CSV file provided by SARS. For each record in the SARS CSV file, the program ensures that each employee has the correct income tax reference number as of the effective date of the application.

The program performs and reports the following:

- If no income tax reference number exists for the employee, the correct number is inserted as of the employee's effective date (in Date Track Update Mode).
- If an income tax reference number exists but does not match the CSV file, the correct number is inserted as of the employee's effective date (in Date Track Update Mode).
- If an income tax reference number exists which matches the CSV file, no changes are made.

You run the Income Tax Ref No Bulk Upload process from the Submit Requests window.

### To run the Income Tax Ref No Bulk Upload process:

1. Query the Income Tax Ref No Bulk Upload process in the Name field.
2. Click in the Parameters field and select from the following parameters:
  - Mode:
    - Validate Only - In this mode, the application is not modified, it will only generate a report of the proposed processing.

- Validate and Update - In this mode, the application is updated/corrected and the report of the processing is then generated.

- SARS File Name - This is the exact file name provided by SARS

3. Click OK.

4. Click Submit.

The pdf output file lists the records based on the following processing results:

- Not Processed - No Matching Employee Number Found
- Income Tax Reference Number Correct - No Change Necessary
- No Existing Tax Reference Number - Updated with new Number
- Existing Incorrect Tax Reference Number Updated with New Number

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# Payroll Processing and Analysis

## Payroll Processing and Analysis Overview

Using Oracle HRMS you can run a payroll, perform post processing on a successful payroll, and also make changes and corrections for a payroll that has not completed successfully.

## Payroll Processing and Analysis in Oracle HRMS

You can run your payroll as:

- A batch process if you want to include all employees or a group of employees in the same run
- A QuickPay process if you want to run a payroll for an individual employee

You can perform all the necessary post processing to generate payment for your employees once you are satisfied that your payroll run results are correct:

- The PrePayments Process enables you to allocate employee payments between the payment methods that you have defined.
- The Payments Processes enable you to make automated payments to a bank account, generate cheques/checks and report on the amounts paid to your employees. You can also verify that cheques/checks have been cashed.
- The External/Manual Payments Process enables you to make cash payments or to pay employees from external sources.

You can analyze your payroll run results to get early notification of possible discrepancies:

- The Payroll Exception report enables you to identify overpayments or underpayments.

- The Void Cheque/Check Payments Process allows you to cancel a cheque/check that was produced in error.
- Employee Run Results give you a list of all results created for this payroll run.

You can use these processes for correcting a payroll run:

- Correction of Run Results: Retries. Retries enable you to correct a payroll run before post-processing has occurred.
- Correction of Run Results: Reversals. Reversals enable you to correct a payroll run when post-processing has already occurred.
- Correction of Run Results: Rollbacks. Rollbacks enable you to correct a payroll run without keeping any record of the original run.

You can run these processes to make accurate provision for current payments backdated from a previous pay period, or current payments received in advance for a future pay period:

- The RetroPay process enables you to retrospectively distribute current payments to the period in which they were earned.
- For non-North American legislations, the Advance Pay process enables you to pay employees in advance for an absence recognized by your legislation.

## Key Concepts

To enable you to process and analyze payrolls, you need to understand these concepts:

- QuickPay, page 9-7
- Continuous Calculation, page 9-8

**Note:** You can use this if it is enabled for your localization.

- Running the PrePayments Process, *Oracle HRMS Payroll Processing Management Guide*
- Retries, *Oracle HRMS Payroll Processing Management Guide*
- Reversals, *Oracle HRMS Payroll Processing Management Guide*
- Rollbacks, *Oracle HRMS Payroll Processing Management Guide*
- RetroPay, page 9-18



- For non-North American legislations: Advance Pay, *Oracle HRMS Payroll Processing Management Guide*

## Reporting on Payroll Processing and Analysis

See Reports and Processes in Oracle HRMS, *Oracle HRMS Window Navigation and Reports Guide*

## Payroll Processing and Analysis

The main purpose of the payroll run is to calculate employee pay correctly at regular intervals. In addition you can perform other payroll processes to ensure accuracy and provide flexibility for your organization. For example, you can roll back a payroll run when you want to carry out a test run without keeping any record of it having taken place. You can also run a RetroPay process when you want to make retrospective adjustments to allow for backdated pay awards.

### Does Oracle Payroll enable you to run part payrolls?

Yes, Oracle Payroll enables you to run part payrolls. This is useful in each of the following circumstances where you do not want to process a payroll for the entire organization.

#### Calculating Pay for an Individual Employee or Group of Employees

If an employee leaves the company before the end of a payroll period, you will need to calculate the individual pay entitlement.

You may also want to calculate individual pay to check the details for an employee before starting a payroll run for all employees.

#### Specifying What Details You Can Include in a Payroll Run

You may want to specify that only particular types of earnings or particular categories of employee should be included in a payroll run.

### Can you verify that a payroll run has completed successfully?

On completion of a payroll run you will need to verify that the run completed successfully. You can display run messages and view latest balances and assignment level results. You may also need to have relevant information grouped by topic in report format so that you can review the outcome of processing. Payroll runs can be monitored through the Payroll Progress Monitor, enabling you to view the name of the run and the percentage/time of completion.

## Can you make adjustments after a payroll run has completed?

Oracle Payroll enables you to make each of the following types of adjustment when a payroll run has completed.

- Addition of late entries that were not included in the initial run
- Corrections to details that were incorrectly entered in the initial run
- Retrospective distribution of current payments to the period in which they were earned

When you have made these corrections and modifications you can then run the payroll again. However, you do not need to rerun the entire payroll. You need only to perform a retry, and Oracle Payroll will reprocess only those items that were incorrect in the initial run.

## Can you produce payment and costing information from a completed payroll run?

Oracle Payroll enables you to use the results of a payroll run to allocate payments to your employees, and to provide costing information.

### Ensuring that Employees are Paid by the Correct Payment Method

When a payroll run has completed you need to pay each employee according to the payment methods that you have specified. You may also need to override the predefined payment methods where employees are receiving special payments such as bonuses, which may not be paid by the usual methods of payment. You also have the ability to pay an employee, who has multiple assignments within your organization, a regular single payment.

### Ensuring that Costing Information Can be Provided

On completion of a payroll run you may need to distribute the associated costs across particular cost centers. For information on this, see: *Cost Analysis Overview, Oracle HRMS Enterprise and Workforce Management Guide*

## Can Oracle Payroll run payroll processes throughout a payroll period?

Yes, the continuous calculation process enables you to process static employee data throughout the payroll period, leaving you extra time for validation and correction at the end of the payroll period.

## What if you want to know how much gross pay is required to produce a given net amount?

Where employers have agreed to pay tax on a known fixed net payment, Oracle Payroll

can calculate the gross amount that employees must receive in order to meet all deductions and still receive the correct net amount. This is referred to as Net-to-Gross processing, and the calculations that derive the correct gross amounts are referred to as Grossups, provided that the feature is enabled in your country.

**Note:** The entries made in the "Grossup Processing" tab on the earnings form only specify what deductions are to be included when calculating the gross pay. The system looks at the taxability rules to determine what deductions should be taken from an earning and does not take into consideration what is entered on the grossup processing tab. For example, if the gross up processing tab shows that Federal tax is to be the only tax included in the grossup calculation but the element is subject to CPP, EI and Federal tax as per the taxability rules, all three taxes will be deducted.

### **Can you process external and manual payments**

Yes, Oracle Payroll enables you to make external and manual payments.

# The Payroll Run

## Process Part of a Payroll

Oracle Payroll enables you to run a payroll and conduct post-processing on a payroll that has completed successfully. You can also enter subsequent changes and corrections for a payroll that has not completed successfully.

Oracle Payroll makes use of the following concepts when implementing payroll procedures:

## Assignment Sets

Occasions when you need to use assignment sets for the payroll run include:

- You need to process the night shift earlier than the rest of the payroll as they must receive their pay advices the night before the rest.
- You need to process a correction run, as entries were not received in time for the normal run and the overtime must be paid this period.
- You want to process an additional run for a long service award, which the enterprise is presenting as a cheque/check to each qualifying employee.

To fulfil these requirements, you can select from a range of assignments:

- Include all assignments
- Include or exclude individually identified assignments
- Use a formula to include or exclude certain groups of assignments

## Consolidation Sets

A consolidation set is a grouping of payrolls that simplify post-run processing and reporting. It enables you to produce a single set of reports, costing results, and other results for all payrolls in a consolidation set. When you run a payroll, make sure that you have named the consolidation set to which the payroll belongs.

## Element and Distribution Sets

With a normal payroll run, you would want to include all elements, but for a long service award bonus you would want to include only the bonus element and the statutory elements. You first calculate gross pay for ascertaining the gross amount to transfer into the payroll account. Then you complete the gross to net calculation.

You can select element sets as follows:

- Include all elements
- Include or exclude individually identified elements
- Include or exclude classifications of elements.

**Canada only:** When creating a Run set, you need to explicitly add the Canadian Tax recurring element to your element set.

**US only:** When creating a Run set, you need to explicitly add the VERTEX recurring element to your element set.

The predefined elements for Oracle Payroll are processed for every payroll run in which they have been included. The deductions are recalculated using the period totals, the amount already paid in previous runs is deducted, leaving the remainder as the deduction for the new payroll run.

## QuickPay

QuickPay enables you to carry out payroll processing for individual employees. You can use QuickPay to pay employees who are leaving and who require payment immediately. If an employee asks what their net pay will be this month, you can run QuickPay to find the answer, then roll it back to remove all results from the database.

### QuickPay: Two Options for PrePayments:

Once the QuickPay run has a status of Complete, you have a choice of two options for post-run processing:

- Include the QuickPay in the batch prepayments processing for the assignment's payroll.

Choose this option if, for example, you have a new employee who joins after the payroll run for the current period has taken place. Instead of rolling back the whole payroll and resubmitting it with the new employee added, you run QuickPay instead so that you can include the new employee in the consolidation set for batch prepayments.

- Start the PrePayments process from the QuickPay window, if necessary overriding the default payment method.

Choose this option if, for example, an employee is leaving and is waiting to be paid by cash or cheque/check.

### Troubleshooting QuickPay: Concurrent Manager

When you start the QuickPay process, the screen freezes, and you cannot delete or update the QuickPay definition until the process completes.

You may receive one of the following error messages:

- **The process has not started**

This means either that the concurrent manager has not been started, or that there are other requests of a higher priority. Ask your system administrator to start your request or change its priority.

- **The process has started but has not finished**

Ask your system administrator to investigate the reason for this.

## Continuous Calculation

Continuous Calculation enables you to distribute your payroll processing throughout a payroll period. You can run processes such as the payroll run, prepayments steps, and costing, which deal with predominantly static employee data, at the start of the payroll period, leaving more time for validation and correction of changed data.

Continuous Calculation works by using triggers. You define triggers and events which inform the system when data has changed. For example, if an employee receives a bonus, the corresponding event is triggered. When you subsequently run the Continuous Calculation process, the system identifies these triggers and marks the corresponding payroll processes (such as the payroll run) to be repeated. The affected processes are repeated in a batch process which can be run as often as required. You define the frequency of the batch process when you run the Continuous Calculation process.

## Setup Information for the Electronic UIF File

The Electronic UIF (Unemployment Insurance Fund) File must be submitted to the Department of Labour on a monthly basis. You must perform the following setup steps before you run the Electronic UIF File Preprocess and the Electronic UIF File process.

### **To set up your system to process UIF and produce the Electronic UIF file:**

1. Run the Termination Category Setup Process. You run this process to copy values in the LEAV\_REAS lookup to the ZA\_TERMINATION\_CATEGORIES user table.

See: Running the Termination Category Setup Process, page 2-31

2. Map each of your enterprise's leave reasons to one of the UIF 'termination' employment statuses.

See: Setting Up User Tables, page 2-32

3. Ensure you link the ZA\_UIF\_Employee\_Contribution element to all payrolls.

See: Defining Element Links, *Oracle HRMS Compensation and Benefits Management*

## Guide

4. If you want to exclude an assignment from the calculation of UIF you must select a reason for non-contribution on the ZA UIF Information extra information type.

**Note:** Assignments with an independent contractor status set to Yes on the ZA Further Assignment Information extra information type will also be excluded from the calculation of UIF.

See Assignment Extra Information Types , page 2-7

5. Ensure all assignments have a legal entity selected on the Assignment Further Information flexfield.

**Note:** Assignments with no legal entity will be excluded from the Electronic UIF file.

See Assignment Extra Information Types , page 2-7

6. Enter UIF File Creator Information for your business group.

See Business Group: Entering ZA UIF File Creator Information, page 1-34

7. Run the UIF Processes.

See: Running the Electronic UIF File Preprocess, page 9-9

See: Running the Electronic UIF File Process, page 9-10

## Running the Electronic UIF File Preprocess

You run the Electronic UIF File Preprocess to archive employees UIF information. The Electronic UIF File process reads this information and includes it in the Electronic UIF File.

You run the Electronic UIF File Preprocess from the Submit Request window.

### To run the Electronic UIF File Preprocess:

1. Query the Electronic UIF File Preprocess in the Name field.
2. Select the name of the payroll in the Parameters window. The consolidation set for that payroll is automatically displayed.

The calendar month defaults to the last day of the calendar month the effective date falls in. However, you can overwrite this date if necessary.

You can enter either an Assignment Set or an Employee Name or both to limit the

assignments you want to process. The assignment set and employee name you choose here is limited to employees assigned to the payroll you select.

3. Choose the Submit button.
4. Run the Electronic UIF File process.

See: Running the Electronic UIF File Process, page 9-10

## Running the Electronic UIF File Process

You submit the Electronic UIF File on a monthly basis.

You run the Electronic UIF File process from the Submit Request window.

### To run the Electronic UIF File process:

1. Query the Electronic UIF File process in the Name field.
2. Select the calendar month in the Parameters window. The calendar month defaults to the last day of the calendar month the effective date falls in. You can overwrite this date if necessary.
3. Select the UIF File Preprocess.
4. Select whether the process is a test run or a live run.
5. Choose the Submit button.

The Electronic UIF File that is created is in the \$APPLCSF/out directory. The output file name is in the format o<request\_ID>.mf. The request ID is created by Oracle Payroll.

## Running the UIF Report

The UIF (Unemployment Insurance Fund) Report shows the UIF income basis and the contributions made by the employee and the employer for the month.

You run the report from the Submit Request window.

### To run the UIF report:

1. Select UIF Report in the Name field.
2. Select the name of the Payroll in the Parameters window.
3. Select the pay period.



4. Choose the Submit button.

## Running the COIDA Report

You run the COIDA Report to obtain the information required in order to complete the annual Return of Earnings (W.As.8) COIDA return.

You run the COIDA report using the following concurrent programs:

- The COIDA Preprocess archives the details for the selected payroll, from 1 March until the end of the payroll period you specify.
- The COIDA Report generates the report in PDF format, for the payroll, Tax Year and preprocess specified.

### To run the COIDA Preprocess:

1. In the Name field, select COIDA Preprocess.
2. In the Parameters window, select the Payroll Name.
3. Select the Payroll Period.
4. Click Submit.

### To run the COIDA Report:

1. In the Name field, select COIDA Report.
2. In the Parameters window, select the Tax Year.
3. Select the COIDA Preprocess.
4. Select Yes or No in the Generate Detail Report field. If you select Yes, the values are shown per employee, if you select No, the individual employee's values are summed and a total per month is displayed.
5. Click Submit.

## Running the Skills Development Levy Report

You run this report at the end of the month after running the payroll. The report includes the Skills Development Levy information required for the SARS submission SDL201. You can run this report for the SETA or for each organization in a SETA.

The report includes:

- Total remuneration
- Prescribed exclusions
- Leviale amount
- Skills levy percentage and amount
- Number of leviale and exempt employees

**Note:** The Tax Information context of the Extra Assignment Information flexfield must contain information in at least one field for the assignment record to be created and reflected in the Skills Levy Report.

You run the Skills Development Levy report in the Submit Requests window.

**To run the Skills Development Levy report:**

1. Select Skills Development Levy Report in the Name field.
2. Select the SETA name in the Parameters window.
3. Select the organization name, if required.
4. Change the process date if required. The default date is the current effective date. The report will, however, include the data as of the last day of the specified month.
5. Specify the level of detail to be included in this report:
  - Full print detail includes totals at an employee level.
  - Summary report includes totals for the SETA or the organization in the SETA.
6. Choose the Submit button.

## Running the Pay Advice (South Africa) Report

This report generates payslips for all employees for a specified payroll and period. This is a sample report that you can customize for your payroll. You must run the Pre-payments process before submitting the Pay Advice (South Africa) report.

Run the report from the Submit Request window.

**To run the Pay Advice (South Africa) report:**

1. Select Pay Advice (South Africa) in the Name field.

2. Select the payroll for which you want to generate payslips in the Parameters window.
3. Select the relevant prepayment process.
4. Enter an override date to print a different date on the payment advice. If you leave this field blank, the payment advice will show the pay date for the period in which the prepayment was run.
5. Leave the Assignment Number field blank to generate pay advices for all employee assignments. Otherwise, enter the employee assignment number to generate a single pay slip for a specific employee assignment.
6. Change the sort order if required. The default order is: Location, Organization, Employment Category, Employee Number, Assignment Number and Employee Name.
7. Choose the Submit button.

## Running the Pay Advice Generation - Self Service (South Africa) Process

To run the Pay Advice Generation - Self Service (South Africa) process successfully, ensure you have set up the ZA Payslip Balances and ZA Payslip Elements information at the Business Group level.

**Note:** The process only archives data for employees in the payroll run who have a successfully completed prepayments process.

You run the Pay Advice Generation - Self Service (South Africa) process from the Submit Request window.

### To run the Pay Advice Generation - Self Service (South Africa) process:

1. Select Pay Advice Generation - Self Service (South Africa) in the Name field.
2. Select the consolidation set and optionally the payroll details in the Parameters window.
3. Enter the effective start and end dates for which you want to generate the payslips.
4. Choose the Submit button.

## Running the Tax Explanation Report

Use this report to understand the calculation of the PAYE due for a specific assignment

or assignments, for a specific period. You run this report after you run Quick Pay for the assignment for which the report is to be generated. Or after you run the payroll, if you want the report to be generated for all assignments in the selected payroll.

**Note:** The ZA: Tax Calculation Explanation profile option must be set to Yes before running the relevant Quickpay or Payroll to generate the report.

Run the Tax Calculation Explanation Report from the Submit Request window.

**To run the Tax Explanation Report:**

1. Navigate to the **Submit Request** window.
2. In the **Name** field, select **Tax Explanation Report**.
3. Enter the following details:
  - **Payroll Name:** Select a value from the list. This is a mandatory parameter.
  - **Payroll Period:** Enter the payroll period for which this request is being submitted. This is a mandatory parameter.
  - **Request ID:** Enter the Quick Pay or Payroll Request ID for which this request is being submitted. This is a mandatory parameter.
  - **Specific Assignment:** This is an optional parameter. If you run Payroll instead of Quick Pay, then you can enter an Assignment Number to submit a request for that specific assignment and not for all assignments in the payroll.
4. Click **OK** and **Submit** your request.

**Additional Information:** See My Oracle Support Knowledge Document 2738827.1 *ZA Tax Explanation Report*.

# Post Processing for a Payroll

## Post-Processing for a Payroll

### PrePayments Process

Within Oracle Payroll the PrePayments process enables you to select a payment method to pay your employees. You can distribute employee pay over more than one method using either a percentage or monetary split.

You can override the PrePayments process. For example, suppose you have run the normal payroll run and made payments via one payment method. You then have to run supplementary payments for some employees and pay them by a different payment method. The PrePayments process, having distributed the regular payments over the payment methods entered, allocates the supplementary payments to the override method.

### Payroll Submission Archive and Payroll Submission Report

**Ireland Users Only:** Use the Payroll Submission Archive and Payroll Submission reports to submit payroll information to Revenue. You can generate these reports based on prepayments. This is a two-step process and includes archiving and reporting. Archiving enables you to archive the payroll details and the payroll submission report process enables you to generate the report based on the archived details.

### Cheque/Check Writer Process

Run the Cheque/Check Writer process to determine the generation of cheques/checks for a specified payroll and consolidation set over a specified time period.

You can generate contiguous serial numbers for cheque/check printing, and you can use this feature to account for cheque/check stationery used during the cheque/check printing process. If you do this, you also need to take into account the cheques/checks you use to carry out the alignment of your printer.

A sample cheque/check report is supplied with the Cheque/Check Writer process. You can customize this report, or add your own cheque/check style to meet your enterprise requirements.

Oracle Payroll provides automatic cheque/check numbering for the Check Writer process. You can keep track of cheque/check numbers when you process multiple cheques/checks per day.

**Note:** Your System Administrator can enable the HR: Default

Check/Cheque Number Method profile which enables you to use the automatic check/cheque numbering process.

See User Profiles, *Oracle HRMS Configuring, Reporting, and System Administration Guide*

## **Void Cheque/Check Payments Process**

Run the Void Cheque/Check Payments process when you want to void cheques/checks you have issued using Oracle Cheque/Check Writer. You may want to do this if there is a printing error or if the cheques/checks you print are afterwards lost. The process cancels the cheques/checks issued, records details of the cancellation, and enables you to give a reason for cancelling.

## **Check Writer - Override Payment Date Process**

When you reissue a check after voiding it using the Void Check Payments process, the Check Writer process prints the check with the original Payment Date by default. Using the Override Check Date feature, you can replace the original check date with a check date of your choice. For reporting purposes, the Payment Register Report captures the replacement date from the reprinted check.

## **External/Manual Payments Process**

Use the External/Manual Payments window to record cash or cheque/check payments to employees from external sources or petty cash. The window enables you to record details of each payment.

## **Running the Cheque Writer Process**

The Cheque Writer process generates cheques for a specified payroll and consolidation set over a specified time period.

The process enables you to generate contiguous serial numbers for cheque printing, and you can use this feature to account for cheque stationery used during the cheque printing process. If you do this, you also need to take into account the cheques you use to carry out the alignment of your printer.

A sample cheque report is supplied with the Cheque Writer (South Africa) process. You can customize this report, or add your own cheque style to meet your enterprise requirements.

See: Adding Your Own Cheque Report, page 9-16

You run this process from the Submit Request window.

### **To run the Cheque Writer (South Africa) process:**

1. Select Cheque Writer (South Africa) in the Name field.
2. Select the name of the payroll or consolidation set, in the Parameters window, to run the process. When you select a payroll, its default consolidation set displays.
3. Enter the start and end dates for the process. The end date displays the date tracked date. If the end date is left blank, all unpaid cheque payments will be processed in this run.
4. Select your cheque payment method.
5. Enter the sort sequence for the cheques. This defaults to Organization, then Person.
6. Select the Default cheque style for the sample cheque report PYZACHRP. This generates and prints the cheque numbers on the cheque. Alternatively, select Pre-numbered for the sample cheque report PYZACHR2. This generates cheque numbers but does not print the number on the cheque.
7. Enter the first cheque number of your cheque sequence in the Start Cheque field. If required, you can enter the last cheque number in the End Cheque field.
8. Enter an override date to print a different date on your cheques. If you leave this field blank, the cheques will show the period-end date of the period for which the report was run.
9. Choose the Submit button.

### **Adding your Own Cheque Report**

You can add your own cheque report if the default cheque layout does not meet your requirements:

#### **To add your own cheque report:**

1. Define a custom report.  
*See: Defining Custom Reports, Oracle HRMS Configuring, Reporting, and System Administration Guide*
2. Copy the custom report to the \$PAY\_TOP/reports directory.
3. Add a lookup code for the report to the ZA\_CT\_CHEQUE\_REPORT lookup type.  
*See: Adding Lookup Types and Values, Oracle HRMS Configuring, Reporting, and System Administration Guide.*

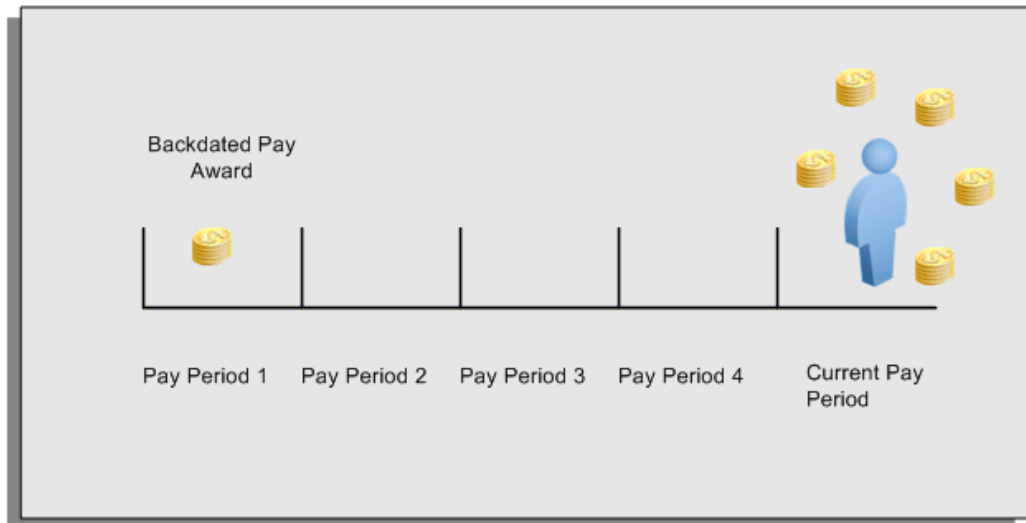
# RetroPay Processing

## Overview of RetroPay Processing

### Purpose of the RetroPay Process

Run the RetroPay process to ensure that your payroll run for the current period reflects any backdated payments or deductions. Backdated adjustments can occur when:

- An employee receives a pay award that is backdated to a previous pay period.
- The payroll department makes a retrospective correction for an error that occurred in a previous pay period



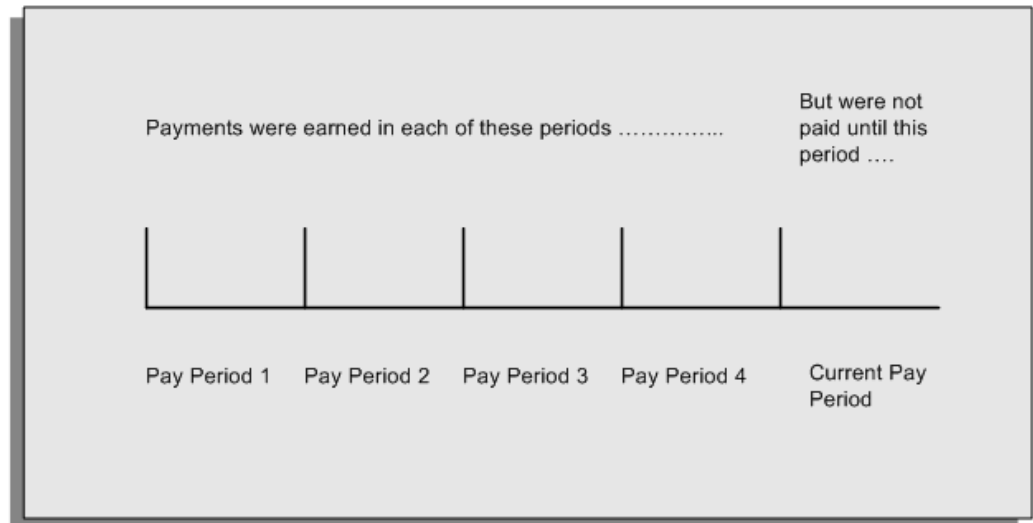
For example, at the start of the current pay period, this employee has a pay award backdated to pay period 1. The employee has not yet received any payments for this award. In the current pay period the employee is entitled to payments that represent the backdated amounts for:

- Each of the preceding payroll periods (pay periods 1 to 4)
- The current pay period

You run your RetroPay process to ensure that the employee receives correct payment when you next run the payroll.

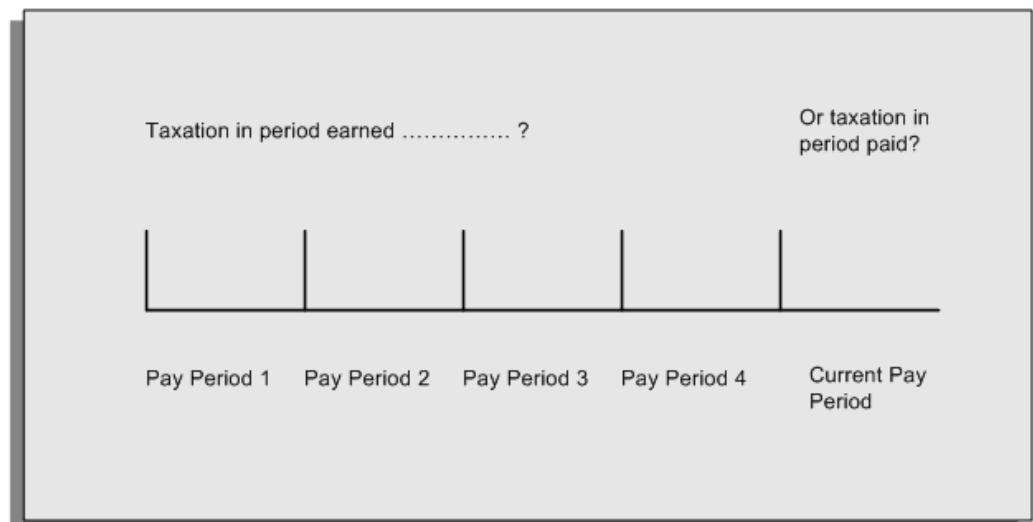


## Period Earned is Distinct from Period Paid



When backdated payments occur, the accuracy of your subsequent payroll processing depends on distinguishing between:

- The period in which the payment was earned
- The period in which the payment was made

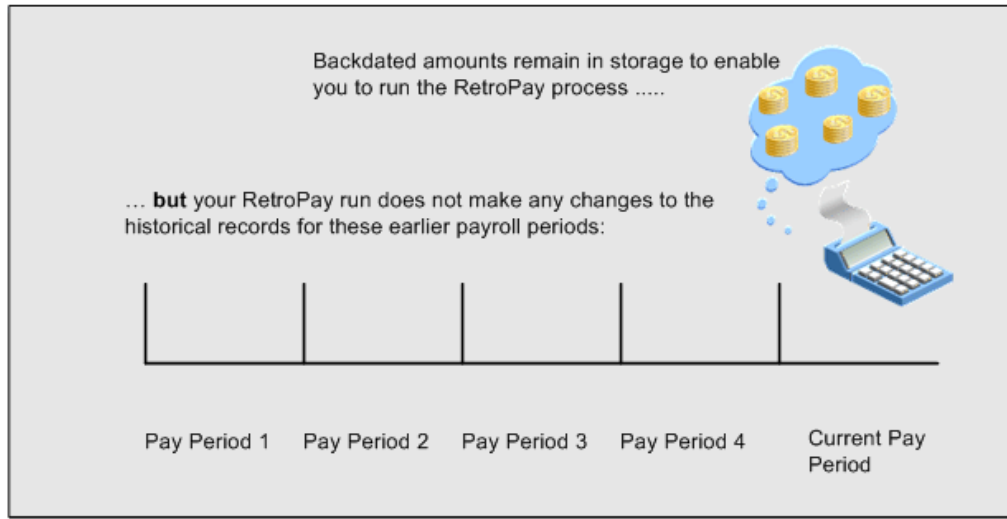


For example, the taxation implications are different for:

- A pay award backdated to period 1 and not paid until the current period. You may want to tax this award in the current period.

- A correction to an underpayment in period 3 which is paid to the employee in the current period. You may want to tax this correction in period 3 rather than in the current period.

## The RetroPay Process Does Not Overwrite Your Historical Payment Records



You never overwrite historical payroll data when you run RetroPay. Although you recalculate all periods that have retroactive changes whenever you run a RetroPay, you never modify the stored results for these periods. Instead, you create one or more RetroPay entries to receive the process results.

Think of the RetroPay process as a calculator holding results in memory so that it can process a final set of results. The RetroPay process uses your historical results to calculate the changes for the current period. The results for your current period change, but your historical records remain unchanged.

## Process RetroPay with Overlapping Periods

The RetroPay process recalculates payroll runs, balance adjustments and reversals from a particular date onwards, the start date of the recalculations. When you have retroactive changes overlapping another retroactive change, the application resets the start date to the earliest start date of the RetroPay processes and recalculates.

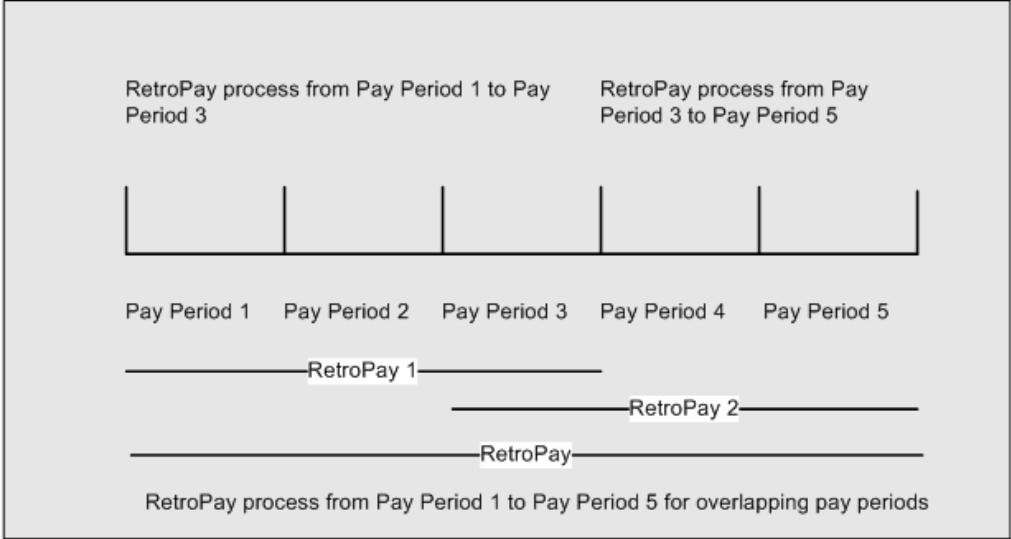
For example, you perform a RetroPay (RetroPay 1) for an assignment in period 3, with Payroll Runs being recalculated from a start date of period 1. In period 5, you perform another RetroPay (RetroPay 2) for the assignment with a start date of Period 3. The second RetroPay detects an overlap of RetroPays and sets the start date to the earliest start date.

In this case, the application sets the start date as Period 1. An overlapping override occurs to ensure that the balances are correct for the RetroPay process.

The processing of overlapping RetroPay results in an overall increase in time to process the RetroPay. If there are multiple overlaps, the increase in time is excessive.

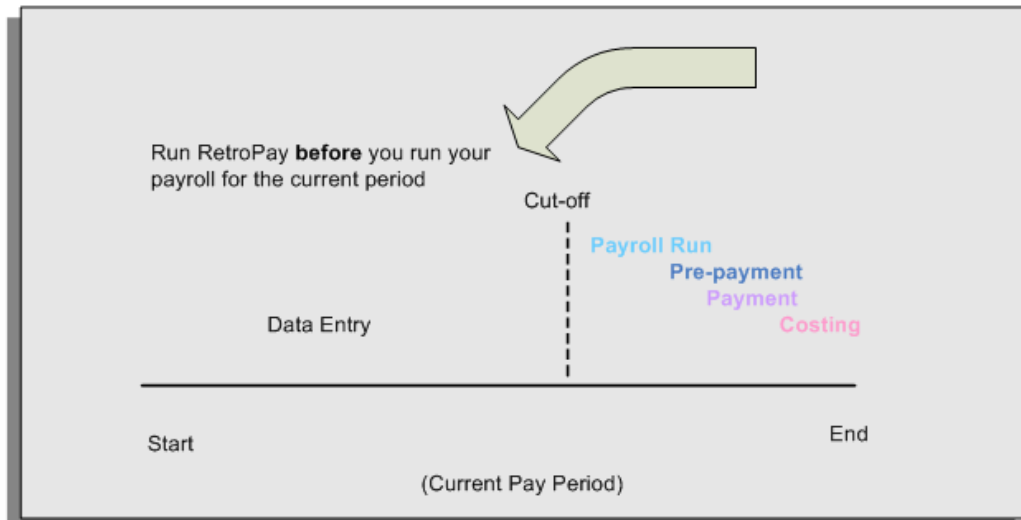
**Additional Information:** RetroPay Overlap is not available by default for all localizations. To use this feature, localizations must need to enabled it.

For more information on RetroPay Overlap , refer to *RetroPay Overlap - A Technical Brief*, Note ID 842307.1 on My Oracle Support.



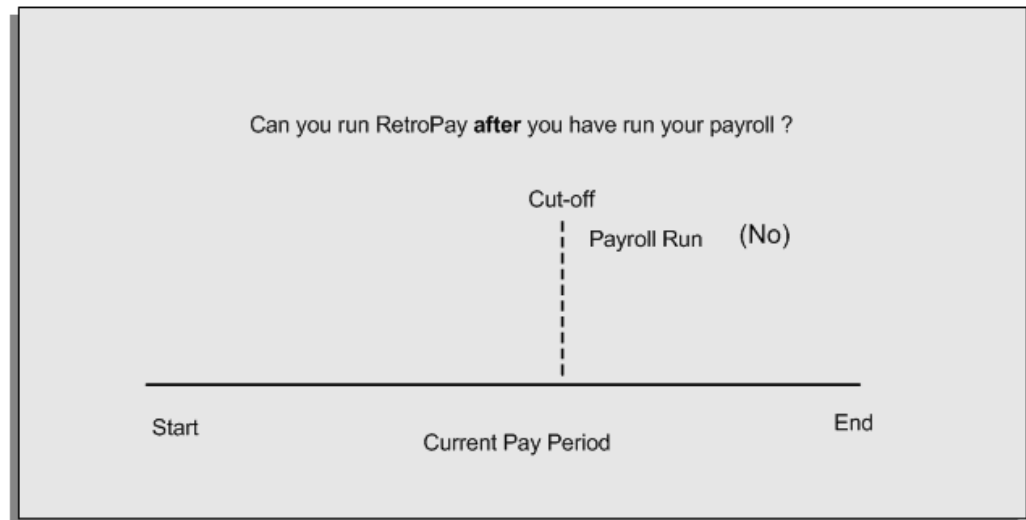
## When to Run the RetroPay Process

### The RetroPay Process and the Payroll Cycle



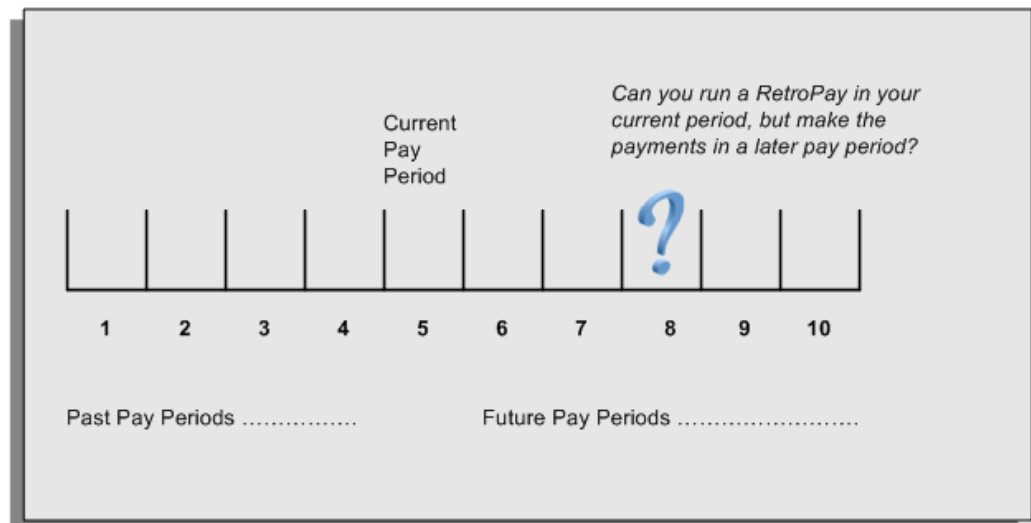
It is important to run your RetroPay process at the correct point in the payroll cycle. Always run RetroPay immediately before you run a payroll, and, for greatest accuracy, as close to the cut-off date as possible. The cut-off date is the point at which all data entry for the payroll is complete.

## The RetroPay Process Always Precedes a Payroll Run



The RetroPay process cannot occur after your payroll run. If you run your payroll and then discover further backdated adjustments you must hold them over until a later payroll period and run the RetroPay process in that subsequent payroll period.

## Backdated Adjustments Are Always Paid in the First Open Payroll Period



When you run a RetroPay process in your current payroll period, any backdated adjustments are always paid in your current payroll period. So, a RetroPay process in period 5 calculates any backdated adjustments from periods 1 to 4, and marks them for payment in period 5.

You cannot stipulate that a RetroPay process in period 5 should withhold any resulting payments until a future pay period. For example, you cannot stipulate that a RetroPay run in period 5 should withhold payments until period 8.

If you want to use a future payroll period such as period 8 to make payments of backdated amounts for periods 1 to 4, then you must wait until period 8 before you run your RetroPay process.

## Troubleshooting RetroPay

The most common RetroPay problems occur when the RetroPay process completes, but produces unexpected results.

Consult these tables for quick reference on common RetroPay difficulties and their solutions. The problem description links or refers to extra information where you need more details to solve a problem.

- Troubleshooting Enhanced RetroPay and Retro-Notification, page 9-24

## Troubleshooting Enhanced RetroPay and Retro-Notification

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<b>Problem Description</b>	<b>What to Do</b>
View RetroPay Status does not display some of my expected choices	<p>Contact your System Administrator. The configuration of View RetroPay Status is determined at setup.</p> <p>If the legislation rule RETRO_STATUS_USER_UPD is set to Y, then you have a choice when you view RetroPay status. You can either exclude the assignment from RetroPay processing (you select Deferred), or include it (you select Confirmed Awaiting Processing).</p> <p>However, if RETRO_STATUS_USER_UPD is set to N, then the assignment is automatically included in the next RetroPay run (it displays in View RetroPay Status as Included Awaiting Processing).</p>

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Problem Description	What to Do
<p>After setting up Enhanced RetroPay, the Enhanced RetroPay run does not produce any results.</p> <p>US only :the Retro-Notification report (Enhanced) does not record a salary change for an employee unless you add the changed details from View RetroPay Status.</p>	<p>In both cases:</p> <p>Navigate to the Element window and ensure that the Default Component check box is checked.</p> <p>The United States has one component only (RetroPay) and one reprocess type (Reprocess) - you must check the Default Component check box for the element.</p>
<p>RetroPay Element field is missing when Enhanced RetroPay is enabled.</p>	<p>This is intended behavior.</p> <p>The RetroPay Element field is hidden when Enhanced RetroPay is enabled.</p> <p>You now add your RetroPay elements from the Retro Components button available from the Recalculation tab of the Elements window.</p>

## Troubleshooting RetroPay

Problem Description	What To Do
<p>RetroPay process element entry not generated for one or more assignments.</p>	<p>Check that the element links exist, then check your RetroPay setup., page 9-26</p>
<p>Unexpected value returned.</p>	<p>Check your RetroPay setup., page 9-27</p>
<p>Start and end times ignored.</p>	<p>Check for a previous RetroPay run that overlaps with your current run. If there is an overlap, rerun a new RetroPay with dates that fully include the period processed by the earlier RetroPay.</p>
<p>RetroPay Warning: <i>Process Log shows zero employees in error - did not create element entries for processed employees.</i></p>	<p>Check that you are using the correct balance in the RetroPay set. If you are processing RetroPay within a single calendar year, choose a balance that represents gross pay for year to date. If your RetroPay spans two years, do not select a balance with the _YTD dimension.</p>

Problem Description	What To Do
Cannot use the Element Entries window to delete RetroPay generated elements.	Roll back the RetroPay process, remove the unwanted assignments from the assignment set and then rerun RetroPay.  <b>Note:</b> The RetroPay process does not permit use of the Element Entries window to make these changes. This is expected behavior rather than an error.
RetroPay Error: <i>APP-6370 Cannot create an entry past the termination rule date.</i>	The setup of your RetroPay element (specifically, the termination rule) does not enable you to process terminated employees. Remove the assignments of terminated employees from your assignment set and then rerun RetroPay.

## Detailed Problem Resolutions

This section provides step-by-step solutions for more complex problems.

### Check that the Element Links Exist, and then Check Your RetroPay Setup

If the RetroPay process does not generate a RetroPay element for one or more assignments, follow this sequence to correct the problem,:

1. Check that there is a valid, current element link for each assignment in the RetroPay set. If the links do not exist, the RetroPay process can still calculate a retro-payment but cannot attribute the calculation results to an assignment.
2. Check that RetroPay entries exist for this assignment. Do this by inspecting the log file for the HR\_HRPROC\_EE\_NOT\_CRE message and searching for the text *Warning RetroPay has detected no change*. This text indicates that RetroPay entries do not exist. There are no differences between the original payroll run and the RetroPay run.
3. Check that your RetroPay setup correctly defines all the required balances. The RetroPay process always uses a balance to track the difference between an original entry and a retro entry. If retro-payments do not specifically feed your RetroPay balances, then the RetroPay process cannot identify that a retro-payment has occurred.

#### Example (from U.K. Payroll)



If you specify an NI balance in your RetroPay setup and then make changes to element entries that are not subject to tax or NI, your run results will be different when you compare the original run and the retro-paid run. However, the RetroPay element does not include these changes because it can only report on those differences that affect the NI balance.

4. Confirm that your RetroPay element has a classification of Earnings. The Earnings classification ensures that you can pay the amounts identified by the RetroPay process. Other classifications, such as Information, do not allow you to make payments.
5. Find out whether your RetroPay definition includes any Year to Date (\_YTD) balances. If you run a RetroPay process that spans the end of year, you could see unexpected results if you are using \_YTD balances. Errors occur because the payroll run clears the \_YTD balance at the end of year in preparation for the next year.
6. Check that there is a correct end date for the payment of RetroPay entries. Do this by View | Lists | Employees by Element to see whether the entry was created for an unexpected period. If this is the case, set the end date to the first date of the payroll period in which the RetroPay entry should be paid. For example, if you run RetroPay for June to September 2021 to pay back pay in October 2021, your start date should be 01-JUN-2022 and your end date 01-OCT-2022.

### Check Your RetroPay Setup

If the RetroPay process returns an unexpected value follow this sequence to correct the problem,:

1. Check the logic of the RetroPay setup to determine that you are feeding the correct balance and confirm that you are not feeding the correct balance more than once.
2. Find out whether your RetroPay definition includes any Year to Date (\_YTD) balances. If you run a RetroPay process that spans the end of year, you may see unexpected results if you are using \_YTD balances. Errors occur because the payroll run clears the \_YTD balance at the end of year in preparation for the next year.
3. Establish whether there are changes elsewhere in the application that might impact the value of a balance. This can be a difficult area to identify because anything that feeds the balance specified in the RetroPay definition can potentially affect the RetroPay.

In particular:

- Balances like Gross Pay can reflect multiple changes to an assignment. These changes can affect the recalculated value of that assignment.
- Generic changes such as updates to a formula can affect the results of associated elements, and introduce balance value changes that subsequently

affect RetroPay values.

## Setting Up the Retro-Notifications Report

You use the Retro-Notifications report to identify any changes that have a retrospective effect for payrolls that you have already run. You can define the relevant types of change by setting up an event group to specify the changes. Follow these steps to set up the Retro-Notifications report:

### To enable dynamic triggers:

1. Navigate to the Dynamic Triggers window.
2. Enable any dynamic triggers that the application generates. It is important to enable these triggers to ensure your payroll processing updates each database table correctly. The recommended minimum list of triggers to enable for the Retro-Notifications report is as follows:

Table Name	Trigger Type
PAY_ELEMENT_ENTRY_VALUES_F	Update
PAY_ELEMENT_ENTRIES_F	Update
PAY_ELEMENT_ENTRIES_F	Insert
PAY_ELEMENT_ENTRIES_F	Delete

### To define an event group:

1. Navigate to the Table Event Group window.
2. Enter a name for your Event Group, for example, Retro-Notification Events.
3. Select Retro as your event groups type.
4. Save your entries.
5. Select the events that will produce notification if retrospective changes occur. Specify the following information to identify the type of update and the database table to which it applies:
  - Update Type

- Base Table Name
- Column Name

For example:

Update Type	Table	Column Name
DateTrack Correction	PAY_ELEMENT_ENTRY_V ALUES_F	SCREEN_ENTRY_VALUE
DateTrack Update	PAY_ELEMENT_ENTRIES_ F	EFFECTIVE_START_DATE
DateTrack Update	PAY_ELEMENT_ENTRIES_ F	EFFECTIVE_END_DATE
DateTrack End Date	PAY_ELEMENT_ENTRIES_ F	
DateTrack Insert	PAY_ELEMENT_ENTRIES_ F	
DateTrack Delete	PAY_ELEMENT_ENTRIES_ F	

**To enable the Incident Register:**

1. Navigate to the Functional Area Maintenance window.
2. Query the Incident Register and ensure that you have triggers defined.
3. Decide whether to capture the triggers by legislation, business group, or payroll. Navigate to each tab to make your selection.

## Setting Up Enhanced RetroPay with Component Usages and Element Time Spans

You can decide whether each retrospective payment requires:

A full reprocessing in which you recalculate all amounts for the current payroll. This option is typical when you are processing backdated payments, or when you want to deduct tax for backdated amounts in the period when it was earned, rather than in the current payroll period.

A limited reprocessing in which you recalculate only some of the amounts for the current payroll. This option is typical when you are processing corrections, or when you want to deduct tax for retrospective changes in the current payroll period rather than in the period when it was earned.

### **Components for RetroPay**

Oracle Payroll describes each different type of RetroPay run as a component. You set up RetroPay component usages to define how RetroPay will process the component. For example, you could set up a component Earnings Correction for the element Basic Salary. A component always has:

- A name (for example, Earnings Correction)
- A reprocess type (Static, Partial, Reprocess) to determine how to process the component

### **Element Time Spans for RetroPay**

For each of these components, you define an element time span to specify the start and end dates of the retro processing, and which RetroPay element applies for each time span. If you are creating RetroPay elements manually, you must follow the process given below to set up retro components and element spans to process RetroPay correctly.

**Tip:** Check if your Localization has components and time spans predefined that you can use to process retro pay.

**Additional Information:** Check if your localization has any upgrade processes enabled if you are upgrading your current elements.

### **Setting Up RetroPay Component Usages:**

RetroPay component usages assign the components to the elements you created, ensuring all the elements recalculate with the latest values.

1. Query your defined element, in the Element window.
2. Select the Recalculation tab, and check the Retro Components button.

**Note:** South African users: Select the predefined ZA Statutory Updates event group from the list of values in the Recalculation Events field. Alternatively, you can create and attach an event group of your choice

3. In the RetroPay Components region of the RetroPay Element window, choose the component field, and an appropriate component from the list of values.

**Note:** Do not enable the Retro Component of the elements that are themselves being used to process retro pay for another element.

4. Select the Reprocess Type. If you select Static, then Retro pay will not process any changes to the element when running the relevant component. Opting for the Reprocess Type ensures the element changes process.
5. Save your work.
6. You can now enter the element time spans.

### **Setting Up Element Span Usages for Elements:**

The element time span usages defines the start and end dates for retro pay processing. Most elements have the standard time span of Start of Current Year to End of Time already assigned, to cover any changes made in the current year. For each earnings element, or imputed earnings element with a defined retro pay component usage, you must define two element span usages. These element span usages cover the earnings for both the current and the previous year, defining not only how far back processing should cover, but also up to where a particular retro pay element carries forward the retro changes. You must define your retro pay elements and components before defining the element time spans.

Set up the Element Span Usages in the Retro pay Elements window.

1. Query your defined element in the Element window.
2. Select the Recalculation tab, and check the Retro Components button.
3. In the Retro pay Elements region, select the appropriate time spans from the From and To fields, to define the time period the retro pay element is covering.
4. Select the retro pay elements you created from the Retro pay Element field.
5. Save your work.

## **Setting Up Overlapping Retro Pay Using Balance Adjustments**

If you have overlapping periods for making retro payments, ensure that the Retro Overlap feature is enabled. This process recalculates from the latest reprocess date and uses Balance Adjustments. Follow these steps to set up the Retro Overlap feature :

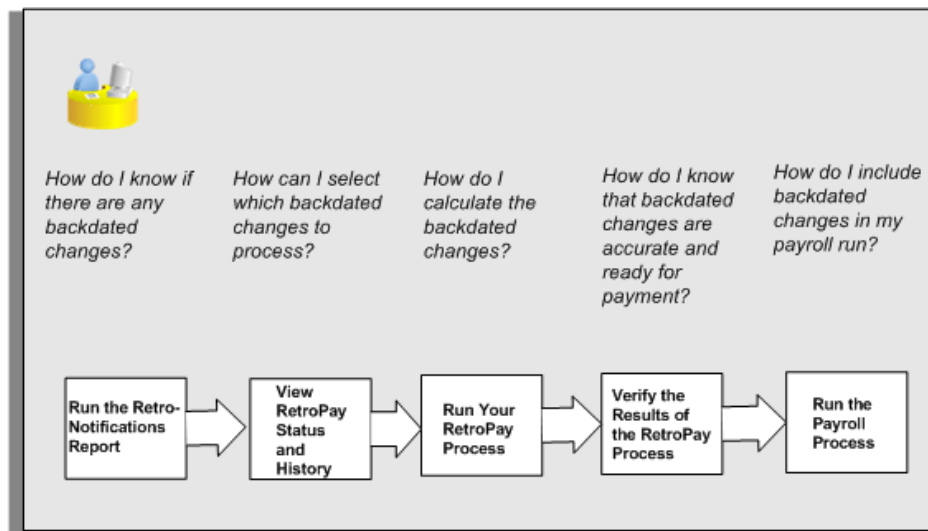
### **To set up Retro Overlap using Balance Adjustments:**

1. Run the corresponding concurrent program to enable the retro overlap feature for your localization, for e.g. Enable Retro Overlap for all UK Business Group.

2. Set up all the Retro Element Types and associate them with their corresponding elements.
3. Define a retro element for every element that feeds a balance. The Balance Adjustment process uses the retro entries created in future periods to do adjustments.
4. Enable the 'Do Not Process' check box for any new retro elements used for retro balance adjustments.

## Understanding the Sequence of Your RetroPay Activities

Given below is the sequence of retro pay activities.



Follow this sequence to:

1. Identify outstanding backdated adjustments
2. Monitor and control the processing of backdated adjustments
3. Include backdated adjustments in your next payroll run.

### 1. Run the Retro-Notifications Report

Run the Retro-Notifications report to identify any backdated changes that have not been included in a payroll run.

You can save your summary of backdated changes into an event group.

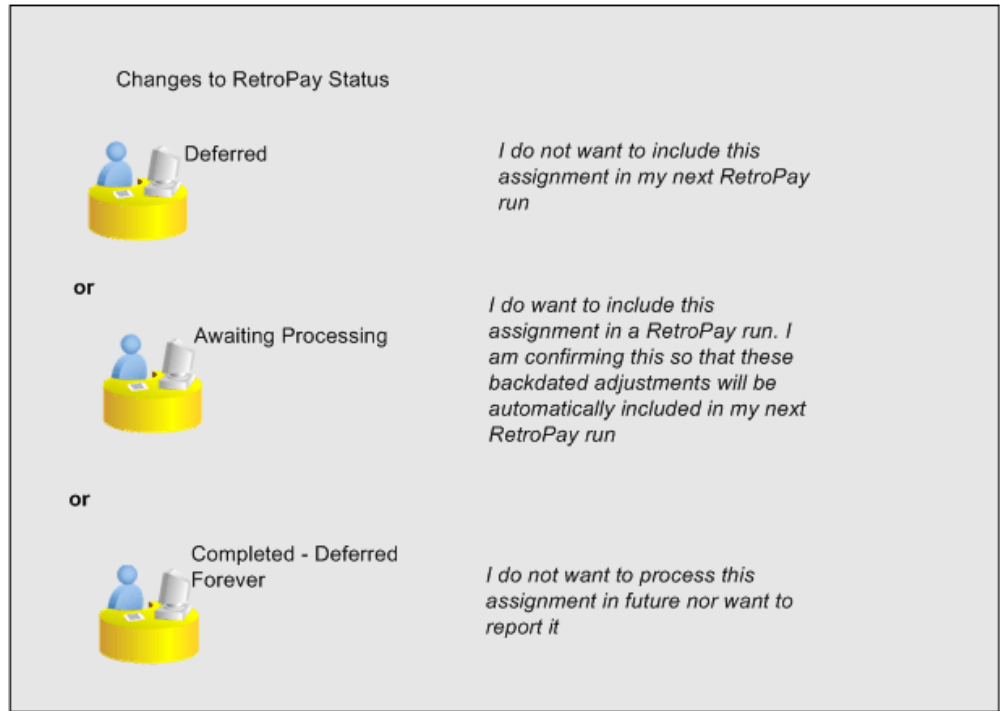
Once you have identified the retrospective changes, you can then decide whether to include them in your RetroPay process.

The Enhanced Retro-Notifications report uses the Payroll Events Model to identify

what changes have occurred to your underlying data. If these changes correspond to the retrospective types of change that you want to be notified about, then these changes appear on the Retro-Notifications report.

**2. View RetroPay Status and History**

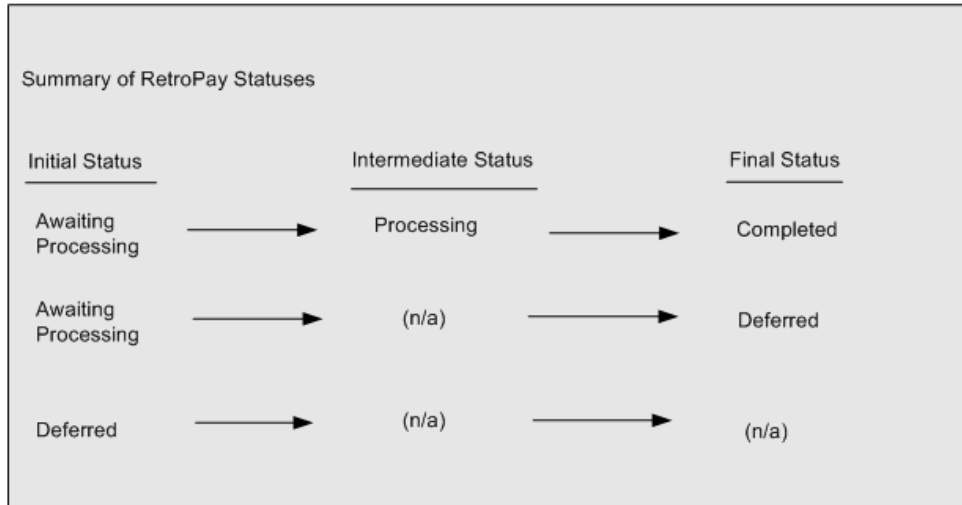
Once you have identified unprocessed retrospective payments, you can determine how you want to process these changes.



The Retro-Notifications report identifies the assignments with backdated adjustments. If you defer, then the assignment is not included when you next run RetroPay.

You can also include additional assignments that the Retro-Notifications report did not identify. This typically occurs when you discover additional backdated adjustments that were not known about when you ran the Retro-Notifications report.

The following diagram shows the sequence of statuses for each RetroPay status:



Once RetroPay processing begins, the initial status changes to an intermediate status of Processing.

You can query all retro assignments that are at the initial (outstanding) status, and all retro assignments at the final (completed) status.

The following diagram shows what statuses are included when your query All Outstanding, and All Completed:



See: Viewing RetroPay Status and History, page 9-35

### 3. Run the RetroPay Process

You enable Oracle Payroll to make retrospective adjustments for the combination of changes identified on the Retro-Notifications report, and subsequently modified when viewing RetroPay status.



#### 4. Verify Your RetroPay Results

When you have run the RetroPay process, verify your results and correct any errors.

#### 5. Run Your Payroll

Finally, run your payroll to reflect the adjustments that you have made for the retrospective payments.

## Viewing RetroPay Status and History

You use the RetroPay Status window to control how you want to process changes that have a retrospective impact. You typically find outstanding retrospective changes where changes are entered in Self-Service HRMS independently of Oracle Payroll.

Use the RetroPay Status window to:

- Identify any assignments that have changes implying retrospective processing.
- Specify how you would like to process any outstanding retrospective changes.
- Confirm that your application has processed the specified requests.
- Create or update multiple retro assignments for status as Awaiting Processing or Deferred.

You can still use the Retro-Notifications report to identify all outstanding retrospective changes that have not been applied, and group them into an assignment set ready for processing.

However, the advantage of using the RetroPay Status window is that you can identify what you want to process, or exclude from processing, and then mark your selections for completion.

### To search for assignments that have retrospective changes:

1. Select the search criteria for assignments that you want to view. If you do not select any criteria, then your search returns all assignments that have retrospective changes. You can search for any of these criteria:

**Name:** Specify a name, or search for all names.

**Assignment Number:** Specify an assignment or search for all assignments.

**Recalculation Date:** Use this start date and end date to determine the period for retrospective changes.

**Status:** Select the status that you want to identify.

- All Completed. This status displays all assignments with retrospective implications that are already processed.

- All Outstanding. This status displays all assignments with retrospective implications that are not yet processed.
- Awaiting Processing. This status indicates that this assignment has cleared for processing and that the processing will occur in the next payroll run.
- Completed. This status indicates that this assignment has now been processed.
- Completed - Deferred Forever. This status indicates that the retro assignments created by the system are deferred forever. The action of the retro assignment (RETRO\_ASSIGNMENT\_ACTION\_ID) is to changed to -1. The retro assignments are not processed in the future nor reported with the new status.
- Deferred. This status indicates that an assignment was scheduled for processing, but that the processing was deferred and will not occur until you change the status.
- Processing. This status indicates that an assignment is being processed.

**Recalculation Reason:** This criterion indicates why retrospective processing is necessary and enables you to search particular categories of retrospective change to process them independently of other retrospective changes.

2. Click Go when you have selected all your search criteria.

**To change the status of an assignment:**

You typically change the status of an assignment when you want to defer processing that was previously scheduled, or to indicate that you have already processed this change even though it was automatically scheduled.

1. Select the assignment that you want to change.
2. Select the new status for the assignment from the Change Status list of values.
3. Click Change Status.

**To view the elements included on each assignment:**

1. Select the assignment name in the Name column.
2. View the elements for this assignment, and the Recalculation Reason for each element.

**To update or delete elements for each assignment:**

1. Select the assignment name.

2. Click Update to add an element to the assignment.
3. Click Delete to remove an element from the assignment.

**To confirm that your specified requests have been processed:**

1. Query the individual assignment, but leave the status field blank.
2. Alternatively, query all assignments with a status of All Completed or All Outstanding and check the details for your individual assignment.

**To create multiple retro lines:**

1. Select the Create Retro Lines button.
2. A spreadsheet opens.
3. In the spreadsheet that appears, enter new records with a status of Awaiting Processing or Deferred.
4. Click on Upload. You can select Commit All Rows or Each Row option, if you want the application to validate all records and commit or validate each record prior to uploading the details to the database. If you select Each Row option, then all successful records will be uploaded and error records will not be uploaded. Only on successful validation, the application makes changes to the database.

If you select the Upload All Rows or Each Row, then the application does not validate the details prior to uploading.

**To update the multiple retro lines:**

1. Query the assignments with Awaiting Processing or Deferred.
2. Click on Download to Spreadsheet check box and click Go.
3. In the spreadsheet that opens, you can update the status. You cannot modify any employee or assignment information but can only change the status of the assignment or you can delete the retro entry or update the reprocess date of the retro entry.

**Note:** In the Entry Delete/ Update column, ensure to select the applicable value if there are any entry changes made. If you do not select any value the application does not make any changes to the database.

4. Click on Upload. You can select Commit All Rows or Each Row option, if you want

the application to validate all records and commit or validate each record prior to uploading the details to the database. If you select the Each Row option, then all successful records will be uploaded and error records will not be uploaded. Only on successful validation, the application makes changes to the database.

If you select the Upload All Rows or Each Row, then the application does not validate the details prior to uploading.

## Viewing RetroPay Enhanced Results

You can query the assignment actions of the RetroPay Enhanced process and review the corresponding retro entries created.

**Note:** Oracle Payroll delivers the "RetroPay Enhanced Results" (PAY\_WS\_RETRO\_RESULTS) function to view the RetroPay enhanced results and this function is also associated with the global View menu (GLB\_HRMS\_VIEW\_INFO). By default, this function is available in the US (US\_HRMS\_VIEW\_INFO) and Canada (CA\_HRMS\_VIEW\_INFO) menus. For the Mexico localization, the seeded "MX HRMS Navigator" menu includes the global GLB\_HRMS\_VIEW\_INFO menu. Therefore, the "RetroPay Enhanced Results" function will be available to all responsibilities associated with the seeded "MX HRMS Navigator" menu.

If required, system administrators must add the "RetroPay Enhanced Results" function to other localization seeded menus and custom menus.

### To view the RetroPay Enhanced Results:

1. Click the View Results on the Assignment Process Results window to view the results for a particular the RetroPay Enhanced assignment action.
2. Query the Assignment Actions of the RetroPay Enhanced process effective between the specified dates for a given assignment or payroll. You can enter any of the following to query the retro assignment actions
  - assignment number
  - full name
  - effective date from and effective date to
  - payroll name
  - status of the assignment action

3. Click on the following details of the Retropay Enhanced assignment actions matching the search criteria to display the appropriate information:
  - Full Name - Click on the Full Name to get the list of Retro Entries created by the selected action.
  - Assignment Number
  - Action Status - If the action is in Error status, then click on the status to review the error messages.
  - Effective Date - View the effective date of the Retropay Enhanced assignment action.
  - Reprocess Date - Date provided by the Retropay Notification Report or the Retro Status Page.
  - Overlap Date - Overlap Date calculated by the Retropay Enhanced process internally. During the process, the run actions are rolled back and re-run from this date for the assignment.
  
4. In the Retropay Entries section, you can view the following information:
  - retro element
  - effective start date
  - effective end date
  - retro component
  - base element - the element for which the retro element is created
  - original date earned
  - Details - Click on the icon in the Details column to display the input values of the retro element created with a comparison of the run result values from the original period. The table also displays the retro element entries with their input values from the same source in previous periods. The comparison assumes that the base element and retro element have the same set of input values with the same order of display sequence.

## Running the Retro-Notifications Report (Enhanced and Enhanced PDF)

After you have defined the components and element time spans, you can check the retrospective changes occurred. Oracle Payroll provides two types of retro notification reports that you can use report to identify all retrospective changes that have occurred

since the last payroll run. This information is particularly useful when changes with retrospective impact are entered in Self Service HRMS independently of the Payroll department.

Oracle Payroll enables you to produce the report either in a text format or as PDF format. You can choose to run the report depending on your requirement:

- Retro -Notifications (Enhanced) Report - run this report to generate the output in text format
- Retro -Notifications (Enhanced PDF) Report - run this report to generate the output in PDF format that you can further customize to meet your requirements.

The Retro-Notifications report does not perform any RetroPay processing. It only identifies element entries that have changed. You must still run your RetroPay process separately to process these changes. After you have run the Retro-Notifications report, you can

- Run your RetroPay process on all assignments
- Edit the event group to remove or add assignments and then run your RetroPay process.
- Take no retrospective action on any of the assignments.

You can use the RetroPay Status window to schedule processing.

You run the Retro-Notifications (Enhanced) or the Retro-Notifications (Enhanced PDF) report from the Submit Processes and Reports window.

**To run the Retro-Notifications (Enhanced) report:**

1. Select the payroll. You can only run this report for a single payroll
2. If you want to see the retro-notifications for a particular event group, select an overriding event group.
3. If you want a report, select Yes in the Generate Report parameter.
4. Click OK, and submit.

**To run the Retro-Notifications (Enhanced PDF) report:**

1. Select the payroll. You can only run this report for a single payroll
2. If you want to see the retro-notifications for a particular event group, select an overriding event group.
3. If you are running the PDF-enabled version of this report, select a template for your

PDF output.

4. If you want a report, select Yes in the Generate Report parameter.
5. Click OK and submit.

## Running Enhanced RetroPay

Use the Enhanced RetroPay process to distribute backdated amounts or corrections that you have identified from the Retro-Notifications report.

You run the Enhanced RetroPay process from the Submit Requests window.

### To run the Enhanced RetroPay process:

1. Enter an effective date to indicate the date from which you want to create the retrospective elements for Enhanced RetroPay process.
2. Select the payroll.
3. If you want to create retrospective entries in a different pay period other than effective date, enter an entry creation date. The application creates retrospective entries in the pay period in which the Entry Creation Date occurs.

If you leave this field blank, the application creates the default retrospective entries as of Effective Date.

4. Click Submit

## Running Quick RetroPay

Run Quick RetroPay to process any retrospective payments for a single assignment. You run the Quick RetroPay process from the Submit Requests window.

**Note:** It is not mandatory to run the Retro-Notifications Report for QuickRetroPay process.

### To run the Quick RetroPay process:

1. Enter a date on which you want to create the derived retro element entries. This is mandatory.
2. Select the assignment number of the assignment for which you want to run the backdated change. This is mandatory.
3. If you want the retro entries to get created in a different payroll period than that of

Effective Date, then you specify an Entry Creation Date. This is optional.

4. Enter an earliest date from which you want to reprocess the assignment backdated changes. If you do not specify any date, then the application calculates it internally. This is optional.
5. If you want the retro-notifications for a particular event group, select an overriding event group.
6. Click Submit.



# Exception Reporting

## Payroll Exception Reporting: Overview

You run exception reports immediately after the payroll run to identify potential overpayments or underpayments. This helps you to avoid corrections when you accidentally make an incorrect payment. For ease of use, you can do each of the following to control the output and definition of your exception reports:

- Request your report output in either CSV or text format so that you can use familiar desktop tools for editing the output
- Group a set of reports so that you can run them as a single reporting request
- Override exception criteria for a single run of a report without changing your underlying report
- Run predefined exception reports, or define additional reports that incorporate your own exception criteria. For example, you cannot modify the predefined High Gross Pay and High Net Pay reports. You can, however, define your own reports to identify other exceptions.
- Select your preferred exception criteria from a forms interface without having to develop your own query code.

## Examples of Exception Reporting Criteria

You must always select a balance and a balance dimension for exception reporting. This table lists additional criteria that you must define, explains what each one means, and gives an example to illustrate how you use them:

Exception Criterion	What it Identifies	Example
Comparison Type	The period against which you want to compare when determining whether an exception has occurred	Average in Months

Exception Criterion	What it Identifies	Example
Comparison Value	This is a numerical value to determine how averages are calculated when you are using an average as your basis for comparison	If you select 3 as the comparison value for a comparison type of Average in Months, then you are comparing the current month with the average of the previous 3 months.
Variance Type	The category of variance that you want to report on.	Either Percentage or Amount
Variance Value	The magnitude of overpayment or underpayment that you want to report on.	<b>Variance Value of 500</b> If Amount is your variance type, and you are reporting on a total amount of 5000, then a variance value of 500 means that amounts greater than 5500 are regarded as overpayments and amounts less than 4500 are regarded as underpayments.
Variance Operator	The precise range of variance that you want to report on. You can use variance operators to specify that you are only interested in a particular section of the range defined by the variance value.	Greater than, Less than, Equal

These are only examples. There is an extensive list of comparison types and variance operators enabling you to set the required degree of precision for your own reports.

See Comparison Types for Exception Reporting, *Oracle HRMS Payroll Processing Management Guide*

See Variance Operators and How You Can Use Them, *Oracle HRMS Payroll Processing Management Guide*

Exception reporting activities are as follows:

### Setting Up Exception Reports

- Create an exception report
- Group existing exception reports

## Running Exception Reports

- Run an exception report, or exception report group
- View an exception report

## Running the Payroll Message Report

You run this report to see any errors for each employee for a payroll run. Those with fatal errors do not process through the payroll. You run the report in the Submit Requests window.

### To run the Payroll Message Report:

1. In the Name field, select the report name. Then enter the Parameters field to open the Parameters window.
2. Select the name of the payroll for which you want to see messages.  
This is the only required field. If you leave the next three fields blank the system displays all messages for all processes connected to this payroll in all periods.
3. Select a payroll period for which to view messages.  
This restricts payroll messages to the period you select.
4. Select a payroll process type.  
This restricts payroll messages to the payroll process type you select. All messages for all runs of this process during the period selected are returned.
5. Select a payroll process.  
This restricts payroll messages to one instance of the payroll process type selected. If you leave the Process Type field blank you can choose one instance of any payroll process for the period selected.
6. Select a message severity level for the messages in the report, or leave the field blank to see messages of all levels of severity.
7. Select assignment number or employee name as sort criteria for the report. The default is employee name.
8. If you want to produce this report in Portable Document Format (PDF), select a template.
9. Click OK and then Submit.

## Reconciling Payments

You can use Oracle Payroll in combination with Oracle Cash Management to verify that payments have been processed. The process is:

1. Import the bank statement. You do this in Oracle Cash Management.
2. Run the automatic reconciliations process. You do this from Oracle Cash Management.
3. View the results of the reconciliation process. You can do this either through Oracle Payroll, or Oracle Cash Management.

**Note: For US only:** For EFT or NACHA payments to be reconciled in Oracle Cash Management, the following 3 pieces of data are checked: amount, transaction date and batch name (file ID + company ID). Manual reconciliation will check amount and transaction date only.

To do this in Oracle Payroll, see *Viewing Payroll Process Results, Oracle HRMS Payroll Processing Management Guide*

In Oracle Cash Management, you can view the following reports:

- Available Transactions report
  - AutoReconciliation Execution report
4. Identify any payments that are marked in error, and reconcile them manually.

**Note:** If you are using Oracle Payroll with Oracle Cash Management for the reconciliation of payments then you will need to set up accounting reference data when you are setting up Oracle Cash Management

See *Accounting Reference Information for Cash Management Integration, Oracle HRMS Implementation Guide*

## Running the Deductions Register

You run the Deductions Register after a pay run. This report shows selected elements and their deductions for each employee. You can then send this report to an external organization, usually with a cheque payment. You run this report from the Submit Request window.

**To run the Deduction Register report:**

1. Select Deduction Register in the Name field.
2. Select the name of the payroll or consolidation set in the Parameters window. If you select a payroll, the default consolidation set displays automatically.
3. Select a pay period.
4. Change the sort sequence if you want to sort the report by employee name and not employee number (the default).
5. Select the element(s) to include in the report.
6. Choose the Submit button.

## Running the Payment Register

You use this report to query or to produce a listing of a specific payment element for a particular payroll. For example, you could run this report to show which employees received overtime payments. You run this report from the Submit Request window.

**To run the Payment Register report:**

1. Select Payment Register in the Name field.
2. Select the name of the payroll or consolidation set, in the Parameters window, to run the process. When you select a payroll, the default consolidation set displays.
3. Select the pay period.  
The report is sorted by employee number by default, but you can change this to sort by employee name.
4. Select the element that you are reporting on.
5. Choose the Submit button.

## Running the Manual Payments Process and Report

This process records employee assignments that are paid using a manual payment method. The report shows you the manual payments made for the selected payroll and assignments.

You run the process and report from the Submit Request window.

**To run the Manual Payment process:**

1. Select Manual Payment in the Name field.
2. Select the payroll and/or the consolidation set for which you are creating manual payments in the Parameters window.
3. Enter the start date from which manual payments must be made. If left blank, Oracle Payroll will process all manual payments that have not been paid up to the specified end date.
4. Select the payment method.
5. Choose the Submit button.

**To run the Manual Payments report:**

1. Select Manual Payments Report in the Name field.
2. Select the payment run for which manual payments are to be made in the Parameters window.
3. Choose the Submit button.

## Running the Cash Process and Coinage Analysis Report

The Coinage Analysis report shows details of the coinage breakdown of cash payments for each location and a total for each payroll.

Run the Cash process before you run the Coinage Analysis report.

Manual payments are not included in the Cash process and therefore do not appear on the Coinage Analysis. See: Manual Payments Process, page 9-47.

You run both processes from the Submit Request window.

**To run the Cash process:**

1. Select Cash in the Name field.
2. Select the payroll or consolidation set, in the Parameters window, for which you are creating cash payments.
3. Enter the start date from which cash payments must be made. If left blank, Oracle Payroll processes all cash payments that have not been paid up to the specified end date.
4. Select the payment method.

5. Choose the Submit button.

You can now run the Coinage Analysis Report.

**To run the Coinage Analysis report:**

1. Select Coinage Analysis in the Name field.
2. Select the payment run for the coinage breakdown in the Parameters window.
3. Choose the Submit button.





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## Tax Year End Reporting

### Tax Year End Reporting

Oracle HRMS enables you to run the following processes and reports for your tax year end reporting and processing.

#### Tax Year End

- Tax Year End Data Validation Report and Preprocess. Validates tax year end data and reports any errors before running the Tax Certificate Preprocess.
- IRP5 Tax Certificates. Creates IRP5 certificates.
- IT3A Tax Certificates. Creates IT3(a) certificates.
- Electronic Tax File. Creates the Electronic Tax File in ASCII format.
- Manually Issued Certificates. Updates Oracle Payroll with the numbers of any manual IRP5 or IT3(a) certificates and prevents the creation of duplicate electronic copies.
- Summary of Tax Certificates. Prints the totals of all SARS Codes from the IRP5 and IT3a Tax Certificates.
- Tax Certificate Number Report. Prints the numbers of all tax certificates generated with details of those assignments and the number of manual certificates issued and reissued.

#### Tax Year Start

- Tax Year Start Process. Updates employee tax information including tax status, tax directive number and tax directive value on the ZA\_Tax element. See Running the

Tax Year-Start Processes, page 10-4.

- Tax Year Start Rollback. Enables you to roll back the actions performed by the Year Start Process.

## **Tax Year End Reporting**

### **How does Oracle HRMS help me with my tax year end reporting?**

Oracle HRMS for South Africa provides you with tax year end processes and it enables you to create tax certificates and your electronic tax file.

### **Can I create manual tax certificates?**

Yes, Oracle HRMS for South Africa enables you to create manual tax certificates and to record the manual certificate numbers in Oracle Payroll so that electronic certificates are not also created.

# Tax Year End Reporting

## Tax Certificates and Tax Year End Reporting

Oracle HRMS for South Africa enables you to print the Tax Certificates and other Tax Year End reports to meet the legislative requirements of SARS and other South African government organizations.

## Legal Entity Transfers; Tax Status Changes

You must create a new assignment for an employee if any of the following actions occur during the tax year:

- Change in legal entity
- Change of tax status
- Change in pension basis
- Foreign assignment

### Legal Entity Transfers

If an employee transfers from one legal entity to another during a tax year, you must create a new assignment on the date of the change. The assignment with the original legal entity value must be stopped to prevent incorrect balance calculations and duplicate or incorrect tax certificates from being produced. If the employee transfers from one payroll to another within the same legal entity then you do not need to create a new assignment.

### Tax Status Changes

If a date-effective change to an assignment's tax status is necessary during the tax year, the existing assignment must be stopped and a separate assignment must be created for the employee. Tax certificates are issued per assignment therefore, in this case the certificates will reflect the correct period of employment relating to each effective tax status. The ZA Tax Module treats the effective tax status as being applicable for the whole tax year of the assignment.

If a tax status change is made on an existing assignment during the tax year and a new assignment is not created, tax is calculated as if the new status was applicable for the whole year.

See: Entering an Assignment, page 2-21

See: Ending an Assignment, *Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*

See: Terminating an Assignment, *Oracle HRMS Workforce Sourcing, Deployment, and Talent Management Guide*

## Running the Tax Year Start Processes

### Tax Year Start Process

The Tax Year Start Process is run at the start of the tax year to update tax information held for employees. The process performs the following actions on the ZA\_Tax element:

- Tax Status: Updates all employees on Directive Amount/Percentage to Normal. Updates all employees on Private Director Directive Amount/Percentage to Private Director.
- The Tax Directive Number and Tax Directive Value input values are cleared.

You run this process from the Submit Request window.

### To run the Tax Year Start process:

1. In the Name field, select Tax Year Start Process
2. In the Parameters window, select the payroll.
3. Select the tax year for which the process must be run. This is the year that you want information reset from. For example, if you need to clear out the tax directive information as at 01-MAR-2021, then you must enter 2021 in this parameter.
4. Choose the Submit button.

### Tax Year Start Rollback Process

The Tax Year Start Rollback process is used to roll back the actions performed in the Tax Year Start Process. You run this process if the Tax Year Start Process was run in error.

You run this process from the Submit Requests window.

### To run the Tax Year Start Rollback process

1. In the Name field, select Tax Year Start Rollback.
2. In the Parameters window, select the payroll.
3. Select the tax year for which the process must be run.
4. Choose the Submit button.

## Running the Tax Year End Processes

To run your tax year end processes:

1. Update Oracle Payroll with the tax certificates that were manually issued during the tax year.  
See: Issuing Manual Tax Certificates, page 10-10
2. Check the validity of your tax year end data for all employees, or an assignment set, or a specific employee.  
See: Running the Tax Year End Data Validation and Preprocess, page 10-5.  
If required, roll back or retry the Tax Certificate Preprocess after correcting any errors.  
See: Reissuing and Correcting Tax Certificates, page 10-5
3. Run the IRP5 Tax Certificate and IT3(a) Tax Certificate processes for employees who must be issued electronic tax certificates.  
See: Creating the IRP5 Tax Certificate, page 10-11 and Creating the IT3(a) Tax Certificate., page 10-13
4. Run the Electronic Tax File process.  
See: Creating the Electronic Tax File, page 10-14
5. Run the Generate Self Service Certificates process.  
See: Generating Self Service Tax Certificates, page 10-15

## Creating Tax Certificates

You create tax certificates at tax year end or after employee termination, or as otherwise directed by SARS.

### Running the Tax Year End Data Validation and Preprocess

When you run this process, Oracle HRMS checks the validity of your tax year end data and reports errors and warnings, if any, in the Tax Year End Data Validation report and the Exception Log. You can then fix these errors and warnings before rerunning the process. You can rerun the process as often as required to verify that all errors and warnings have been fixed.

The Tax Year End Data Validation Report initiates the Tax Certificate Preprocess based on whether errors are identified and also based on the value of the Test Run parameter.

**Note:** If you set the Test Run parameter to No, then the application does not initiate the Tax Certificate Preprocess unless there are no errors reported in the Tax Year End Data Validation Report. If you set the Test Run parameter to Yes, then the application initiates the Tax Certificate Preprocess irrespective of whether errors are reported in the Tax Year End Data Validation Report or not.

**Caution:** The Test Run parameter is only an indicator of whether the Tax Certificate Preprocess needs to be initiated regardless of errors or not. This parameter does not indicate to SARS whether the Electronic Tax File is a test or final file.

The Tax Certificate Preprocess initiates the Create Tax Year End exception log. The application populates this log while the Tax Certificate Preprocess runs, simultaneously adding errors as they are encountered. Note that errors identified in the Create Tax Year End exception log do not cause the Tax Certificate Preprocess to fail. Therefore, you must always check the log file for errors before running the IRP5, IT3(a) and other TYE processes.

You run this process from the Submit Requests window.

#### **To run the Tax Year End Data Validation and Preprocess:**

1. In the Name field, select Tax Year End Data Validation and Preprocess.
2. In the Parameters window, select the legal entity.
3. Select the tax year.
4. Select the period of reconciliation.
5. Select the certificate type:
  - ITREG - When you select the ITREG value for the Tax Year End Data Validation and Preprocess, a number of validations are processed to ensure, that data NOT required for an ITREG certificate is not reported as an error if it is missing.
  - Normal - If you select the Normal value, then the application produces IRP5's and IT3(a)'s in the normal manner.
6. Select the name of the payroll, if required.
7. Select an assignment set, if required.
8. Select the employee name if you are creating a certificate for just one employee. Do this if an employee has been terminated or has mislaid their tax certificate.

9. Specify if this is a test run:
  - If you select No, the Tax Certificate Preprocess will only run if the Tax Year End Data Validation report identified no errors.
  - If you select Yes, the Tax Certificate Preprocess will run whether or not the Tax Year End Data Validation report identified any errors.
10. Determine the sort order for the report. You can sort by location, organization, employee name, employment number, or assignment number. If you leave these fields blank, the report is sorted by employee number within the legal entity.
11. Indicate whether you want to generate a combined certificate or separate certificates. If you select Yes, the application will include as many lump sums on the Main Certificate as possible. Note: Tax certificates may only contain 13 income codes and 3 tax directive numbers, if either of these limits is exceeded additional lump sums will be reported on another tax certificate. If you select No, then each lump sum with a corresponding tax directive number will be reported on a separate tax certificate.
12. Click Submit.

You can check the results of the report created.

You can generate the Tax Year End Data Validation Report in Excel format.

### **To run the Tax Year End Data Validation and Preprocess (Excel):**

1. Navigate to the **Submit Request** window.
2. In the **Name** field, select **Tax Year End Data Validation and Preprocess (Excel)**.
3. Enter the following details:
  - **Legal Entity:** Enter the name of the legal entity for which to run the report. This is a mandatory parameter.
  - **Tax Year:** Enter the tax year for which to run the report. This is a mandatory parameter.
  - **Period of Reconciliation:** Specify if the request is for the August or February period of reconciliation. This is a mandatory parameter.
  - **Certificate Type:** Select if this is a normal request (Normal) or a request to register an employee for income tax purposes (ITREG). This is a mandatory parameter.
  - **Payroll:** Optionally, enter a payroll name.

- **Assignment Set:** Optionally, enter an assignment set.
  - **Employee Name:** Optionally, enter the name of an employee.
  - **Test Run:** Select if this is a test run.
    - If you select No, the Tax Certificate Preprocess will only run if the Tax Year End Data Validation report identified no errors.
    - If you select Yes, the Tax Certificate Preprocess will run whether or not the Tax Year End Data Validation report identified any errors.
  - **Sort Order 1, Sort Order 2 and Sort Order 3:** These are optional parameters that contain default values. You can change the order in which the records are displayed in the reports.
  - **Combine Certificates:** This is a mandatory parameter. You must specify Yes or No.
4. Submit your request.

#### **Running the Interim Tax Year End Data Validation Report:**

You use the Interim Tax Year End Data Validation Report concurrent program to check employee tax year end data any time of the year. This helps you identify data errors and rectify them prior to the Tax Year End. Note that this concurrent program does not submit the Tax Year End Preprocess.

To run the Interim Tax Year End Data Validation Report:

1. Select the payroll.
2. Enter the tax year.
3. Select the assignment set.
4. Select the employee.
5. Determine the sort order for the report. You can sort by employee name, employee number, or assignment number. If you leave these fields blank, the report is sorted by employee number within the legal entity.
6. Click the Submit button.

#### **To view the Create Tax Year End exception log:**

1. Click View.



2. Select the Requests option.
3. Select the Find option.
4. Search for and select the relevant Create Tax Year End exception log process.
5. Click the View Log option.

### **Reissuing and Correcting Tax Certificates:**

You must rerun the Tax Year End Data Validation and Preprocess if:

- Errors were found in a tax certificate that you have issued to an employee. After you have fixed the errors, running the process enables you to reissue another certificate with a new number.
- Errors were found in a tax certificate that you have not yet issued to an employee. After you have fixed the errors, running the process enables you to create another certificate that has the same tax certificate number.

### **Rolling Back the Tax Certificate Preprocess:**

If you have detected errors with the tax certificates before submission to SARS, you can either roll back and resubmit the process or retry the process. This process resets the generation number on the tape.

You run the rollback from the Submit Request window.

### **To roll back the Tax Certificate Preprocess:**

1. In the Name field, select Rollback.
2. In the Parameters window, select the magnetic transfer that you want to rollback and select the assignment set.
3. Click Submit.

### **To retry the Tax Certificate Preprocess:**

1. Mark the Tax Certificate Process or specific assignments for retry.
2. In the Name field, select Retry Payroll Process.
3. Enter the Parameters field to open the Parameters window.
4. Select in the Payroll Process field the magnetic transfer that you want to retry.
5. Click Submit.

This process resets the generation number on the tape.

## Issuing Manual Tax Certificates

If you have manually issued IRP5 or IT3(a) certificates to employees, the certificate numbers issued must be updated so that Oracle Payroll does not produce electronic tax certificates for these assignments.

**Important:** You must update Oracle Payroll with the manual certificate numbers before you submit the reports for the IRP5 or IT3(a) tax certificates.

You run this process from the Submit Request window.

### To run the Manually Issued Tax Certificate process:

1. In the Name field, select Manually Issued Tax Certificates.
2. In the Parameters window, select the legal entity.
3. Select the tax year for which you are producing tax certificates.
4. Select the Period of Reconciliation.
5. Select the name of the payroll.
6. Select the tax certificate preprocess that was run.
7. Select the assignment number.
8. Select the directive number:
  - If the assignment has a directive number on the ZA\_Tax element or on the Za\_Tax\_on\_Lump\_Sums element, the directive numbers will be displayed here. You must run the process once for each directive number.
  - If the employee has no directive numbers, select No Normal Directive Number.
  - If you issue a manual certificate for the main certificate as opposed to the lump sum certificate then select Main Certificate. The list of directives which are included in the Main Certificate is listed next to it.

**Note:** The application rejects a Manual Certificate for an employee under the following conditions:

- If the selected Directive Number is Main Certificate and an electronic main certificate is already issued for an employee.
  - If the selected Directive Number is Main Certificate and at least one of the directive numbers merged into the main certificate has a separate electronically-issued lump sum certificate.
  - If an electronic lump sum certificate is already issued for the directive chosen in the Directive Number field.
  - If no electronic lump sum certificate is issued for the selected directive, but the directive is included in a main certificate which was issued electronically.
9. Enter the tax certificate number that was manually issued.
10. Click the Submit button.

## Creating the IRP5 Tax Certificate

The IRP5 Tax Certificates process allows you to create IRP5 tax certificates for employees who have paid tax during the tax year.

Use the IRP5 Tax Certificates (Pre Tax Year 2022) process to create IRP5 tax certificates for employees who have paid tax during the tax year before the tax year 2022.

Use the IRP5 Tax Certificates process to create IRP5 tax certificates for employees from the tax year 2022 and onwards.

**Note:** Before an employee can receive an IRP5 Tax Certificate, you must select a legal entity in the ZA Tax Information Assignment Extra Information Type window.

See: Assignment Extra Information Types, page 2-7

You run the IRP5 tax certificate process from the Submit Request window.

### To create IRP5 certificates:

1. In the Request Name field, select the applicable value:
  - IRP5 Tax Certificates (Pre Tax Year 2022) - generates IRP5 Tax Certificate for tax years before 2022.
  - IRP5 Tax Certificates - generates the IRP5 Tax Certificate from the tax year 2022

onwards.

2. In the Parameters window, select the legal entity.
3. Enter the tax year for which you are creating the certificates.
4. Select the period of reconciliation.
5. Select the name of the payroll.
6. Select the tax certificate preprocess.
7. Select an assignment if you are creating a tax certificate for one specific assignment. Do this if an employee has been terminated or has misplaced their tax certificate.

**Important:** If you leave this field blank, then tax certificates for all assignments processed in the selected Tax Certificate Preprocess are included.

8. Indicate if you are performing a dummy run only.

Producing a dummy certificate allows you to check it before issuing it to an employee. If you are doing a dummy run, Oracle Payroll does not generate any tax certificate numbers and therefore the certificates will not get written to the Electronic Tax File.

If you are not doing a dummy run, Oracle Payroll generates tax certificate numbers and includes them in the Electronic Tax File.

9. Indicate if you are reissuing the certificate.

**Important:** You must submit the Tax Certificate Preprocess before you reissue tax certificates so that new tax certificate numbers are allocated. If the Tax Certificate Preprocess is not rerun, and you reissue tax certificates, Oracle Payroll will reprint the previous tax certificate number issued.

You can reissue a certificate if it has already been issued to an employee and submitted to SARS but contains incorrect information, or if SARS or the employer cancels the certificate.

You cannot reissue a certificate if you are doing a dummy run.

If you are not doing a dummy run, and you are not reissuing tax certificates, Oracle Payroll will reprint tax certificates using the same tax certificate numbers.

10. Determine the sort order for the report. You can sort by location, organization, employee name, employment number, or assignment number. If you leave these fields blank, the report is sorted by employee number within the legal entity.
11. Click OK and then Submit.

## Creating the IT3(a) Tax Certificate

The IT3(a) Tax Certificates process allows you to create IT3(a) certificates for employees who have paid no tax during the tax year.

**Note:** Before an employee can receive an IT3(a) tax certificate, you must select a legal entity in the ZA Tax Information Assignment Extra Information Type.

You run this process from the Submit Request window.

### To create IT3(a) tax certificates:

1. In the Request Name field, select the applicable value:
  - IT3A Tax Certificates (Pre Tax Year 2022) - generates the IT3A Tax Certificate for the tax years before 2022.
  - IT3A Tax Certificates - generates the IT3A Tax Certificate for the tax year 2022 and onwards.
2. In the Parameters window, select the legal entity.
3. Select the tax year for which you are creating the certificates.
4. Select the period of reconciliation.
5. Select the payroll.
6. Select the Tax Certificate Preprocess.
7. Select the assignment number if you are creating a tax certificate for a specific assignment. Do this if an employee has been terminated or has mislaid their tax certificate.

If you leave this field blank, tax certificates for all assignments processed in the selected Tax Certificate Preprocess will be included.

8. Indicate if you are doing a dummy run only.

Producing a dummy certificate enables you to check it before issuing it to an

employee. If you are doing a dummy run, Oracle Payroll does not generate any tax certificate numbers and therefore the certificates will not get written to the Electronic Tax File.

If you are not doing a dummy run, Oracle Payroll generates tax certificate numbers and includes them in the Electronic Tax File.

9. Indicate if you are reissuing the certificate.

**Important:** You must submit the Tax Certificate Preprocess before you reissue tax certificates so that new tax certificate numbers are allocated. If the Tax Certificate Preprocess is not rerun and you reissue tax certificates, Oracle Payroll will reprint the previous tax certificate number issued.

You can reissue a certificate if it has already been issued to an employee and submitted to SARS but contains incorrect information, or if SARS or the employer cancels the certificate.

You cannot reissue a certificate if you are doing a dummy run.

If you are not doing a dummy run, and you are not reissuing tax certificates, Oracle Payroll will reprint tax certificates using the same tax certificate numbers.

10. Determine the sort order for the report. You can sort by location, organization, employee name, employee number, or assignment number. If you leave these fields blank, the report is sorted by employee number within legal entity.
11. Click OK and then Submit.

## Creating the Electronic Tax File

You run this process to create the ASCII Electronic Tax File after you have created live (not dummy) IRP5 and IT3(a) Tax Certificates.

You run this process from the **Submit Request** window.

### To create the Electronic Tax File:

1. In the Name field, select Electronic Tax File.
2. In the Parameters window, select the Certificate type:
  - ITREG - When you select the "ITREG" value for the Tax Year End Data Validation and Preprocess, a number of new / amended validations are processed to ensure, for example, that data NOT required for an ITREG "certificate" is not reported as an error if it is missing.

- Normal - If you select the "Normal" value, then the application produces IRP5's and IT3(a)'s in the normal manner.
3. Select the tax year for which you are creating the certificates.
  4. Select the Period of Reconciliation.
  5. Select the legal entity.
  6. Select the tax certificate preprocess. If left blank, all certificates created by the Tax Certificate Preprocesses run in the selected tax year will be included in the file. Select a specific tax certificate preprocess when re-issuing tax certificates. Only the re-issued tax certificates are written to the electronic tax file.
  7. Select whether this is a test or live transmission to SARS.
  8. Click the Submit button.

You can view and save the output file from the standard SRS window and use this for submission.

## Generating Self-Service Certificates

Oracle HRMS enables employees to view and download their tax certificates using the Employee Self-Service application. The following steps are required:

- Run the Generate Self Service Certificates process. This process makes the certificates available in Employee Self Service. This process also locks the selected Tax Year End Preprocess so no changes can be made to the Tax Certificates unless the Generate Self Service Certificates process is rolled back.
- Add the ZA Self Service Tax Certificate function to the Employee Self-Service menu to enable employees to access their tax certificates.

### **To run the generate self service certificates process:**

You run this process from the Submit Request window.

1. In the Name field, select Generate Self Service Certificates.
2. In the Parameters window, select the following:
  - Legal entity.
  - Tax year for which you have run the Tax Year End Prep Process.
  - Select the required Tax Certificate Preprocess.

3. Click OK and Submit.

**Note:** Only Tax Certificate Preprocesses that have been run with the Test Run parameter set to No will be available to be selected.

#### **To view and download the tax certificates:**

Once the Generate Self Service Certificates process has been run employees can access their Tax Certificates:

1. Navigate to the IRP5/IT3A Certificates self-service page.
2. Select the applicable tax year and click Go to view and to download the PDF certificates.

## **Running the Tax Certificate Number Report**

The Tax Certificate Number Report prints a list of the following:

- Tax Certificate Numbers of all tax certificates generated.
- Assignment details for the generated tax certificates.
- Number of tax certificates reissued.
- Number of manual certificates issued.

Run the Tax Certificate Number Report from the Submit Request window.

#### **To run the Tax Certificate Number Report:**

1. Select Tax Certificate Number Report in the Name field.
2. Select the legal entity in the Parameters window.
3. Select the tax year for which you want to run the report.
4. Select the Period of Reconciliation.
5. Choose Employee or Ex-Employee as the employee type.
6. Choose the sort order.

You can choose to sort by employee name then tax certificate number, employee number only or tax certificate number only.

7. Select Yes in the Report Detail field if you want to see the individual certificate



details, or select No if you only require totals.

## Running the Summary of Tax Certificates Report

You run the Summary of Tax Certificates report as part of your tax year end for reconciliation purposes. The report prints grand totals of the amounts, for every SARS code, that were included in the tax certificates and the electronic tax file.

Run the Summary of Tax Certificates report from the Submit Request window.

### To run the Summary of Tax Certificates report:

1. Select Summary of Tax Certificates in the Name field.
2. Enter the tax year for which you want to run the report.
3. Select the Period of Reconciliation.
4. Select the legal entity.
5. Select the relevant preprocess in the Tax Certificate Preprocess field. Leave this field blank, however, if you want to include all the tax certificate preprocesses that exist for the chosen legal entity in the specified tax year.
6. Click the Submit button.

## Running the Tax Register Report Archiver

The Tax Register Report Archiver shows all tax-related information and tax-related balances for current and terminated employees. It reports on processed assignments with balance values to display for the tax year.

The Tax Register Report Archiver prints the tax status and tax directive values retrieved from the run result values. This information is printed in the header of the report. The total tax value is printed in the body of the report, and is calculated by adding the value of the tax balance to the value of the Tax on Lump Sums and Voluntary Tax balances.

You run the Tax Register Report Archiver from the **Submit Request** window.

### To run the Tax Register Report Archiver:

1. In the Name field, select Tax Register Report Archiver.
2. Select the legal entity. This report shows applicable information for all payrolls in the selected legal entity.
3. Select the name of the payroll to run the report for a particular payroll only. Leave

this field blank to report on all payrolls in the selected legal entity.

4. Select the payroll period.
5. Select the effective date. The application uses your system effective date, but you can override this date.
6. Select the assignments to include in the report. If you select All, the report will include active and terminated assignments.
7. Use the Specific Assignment parameter to report for one assignment only.

**Note:** If you choose a processed assignment with no balance values, then the report will print *No data found*. The assignments depend on the assignments you selected in the previous step.

8. Select whether you want to print PTD, MTD, or YTD values.
9. Select whether you want to sort by full name, by employee number, or by assignment number.
10. Select whether you want to generate a detail report. Select Yes to print balance values for each assignment. Select No to print grand totals only for the selected payroll.
11. Select the output type that you want to generate. The file output options are:
  - CSV File
  - CSV File and PDF Report
  - PDF Report
12. Click OK and then Submit.
13. The Tax Register Report Archiver initiates the Tax Register Report (XML). Click **View Output** in the Request window to see the output.

## Running the EMP201 Report

The EMP201 return is a statutory form that employers have to complete and return to SARS on a monthly basis. It shows the amount of PAYE, UIF and SDL that the employer pays to SARS for the month as well as the income and number of employees that each of these payments is based on. Oracle HRMS provides the ZA EMP201 Preprocess and Report to assist you in completing the EMP201 return and also to reconcile payments made to SARS.

To run the EMP201 Report.

1. Run the ZA EMP201 Preprocess. This process archives the EMP201 information.
  1. Select the legal entity.
  2. Select the payroll to run the EMP201 Preprocess for a particular payroll. If you do not select a payroll, the information for all payrolls in the selected legal entity is stored.
  3. Enter the calendar month.
  4. Select an assignment set if required.
2. Run the ZA EMP201 Report. This process generates the EMP201 Report.
  1. Select the calendar month
  2. Select the applicable EMP201 Preprocess.
  3. Select Yes or No in the Detail field to indicate whether individual employee data or only totals are displayed.

## Running the Employment Tax Incentive Register Archiver

Run the Employment Tax Incentive Register Archiver process to archive the ETI information. You can run this process from the **Submit Request** window.

### To run the Employment Tax Incentive Register Archiver process:

1. In the **Name** field, select **Employment Tax Incentive Register Archiver**.
2. Click in the **Parameters** field.
3. Select the legal entity. This is a mandatory field.
4. Select the start date and the end date. These are mandatory fields.
5. Optionally, select an assignment set to restrict the report to a group of assignments.
6. Click **OK** and then click **Submit**.

## Running the Employment Tax Incentive Register Report

Run the Employment Tax Incentive Register report to review the ETI Information. You can run this process from the **Submit Request** window.

**To run the Employment Tax Incentive Register Report:**

1. In the **Name** field, select **Employment Tax Incentive Register Report**.
2. Click in the **Parameters** field.
3. Select the legal entity. This is a mandatory field.
4. Select the Employment Tax Incentive Register request ID. This is a mandatory field.
5. Click **OK** and then click **Submit**.

## Running the Tax Audit Report

Run the Tax Audit Report to review the Grand Totals of the SARS code values per payroll and legal entity. The Tax Audit Report shows PTD, YTD, and Rollup values (the Rollup value is the total for the period between the start and end date parameter values).

You can run this report from the **Submit Request** window.

**To run the Tax Audit Report:**

1. In the **Name** field, select **Tax Audit Report**.
2. Click in the **Parameters** field.
3. Select the legal entity.
4. Select the start date and the end date.

**Note:** The start date and the end date must be within the tax year.

5. Select the payroll.
6. Optionally, select an assignment set to restrict the report to a group of assignments.
7. Click **OK** and then click **Submit**.

## Running the Tax Audit Report - Detailed

Run the Tax Audit Report - Detailed to review the SARS code values for each assignment. The Tax Audit Report - Detailed shows PTD, YTD, and the Rollup values (the Rollup value is the total for the period between the start and end date parameter values). The report is based on the selected assignment set.

You can run this report from the **Submit Request** window.

**To run Tax Audit Report - Detailed:**

1. In the **Name** field, select **Tax Audit Report - Detailed**.
2. Click in the **Parameters** field.
3. Select the legal entity.
4. Select the start date and the end date.

**Note:** The start date and the end date must be within the tax year.

5. Select the payroll.
6. Optionally, select an assignment set to restrict the report to a group of assignments.
7. Click **OK** and then click **Submit**.



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## Additional Implementation Steps

### Additional Implementation Steps for Oracle HRMS for South Africa

To implement Oracle HRMS for South Africa, you must perform additional legislative-specific implementation steps.

You perform these steps at the implementation stage indicated below. For example, you perform the South African Administration steps when you perform the global Administration steps that apply to all legislations.

See: Implementing Oracle HRMS for the global implementation steps.

### Additional Implementation Steps

#### Step 1: Set Up Responsibility Access for Extra Information Types

You must set up responsibility-level access for the ZA\_SPECIFIC\_INFO Assignment Extra Information Type (EIT).

See Setting Up Extra Information Types for a Responsibility, *Oracle HRMS Configuring, Reporting, and System Administration Guide*.

You must set up responsibility-level access for the ZA\_UIF\_INFO Assignment Extra Information Type (EIT).

You must set up responsibility-level access for the ZA\_NMW\_INFO Assignment Extra Information Type (EIT).

**Note:** These EIT's should not be linked to any responsibilities that are used to administer Contingent Workers as the information stored on the EIT's is not relevant for Contingent Workers.

You must set up responsibility-level access for the ZA\_SARS\_ADDRESS Assignment Extra Information Type (EIT).

### **Step 2: Set Up Leave Reasons for Employment Equity and the UIF**

You must enter the leave reasons for your enterprise into the LEAV\_REAS lookup as part of the setup for the Employment Equity Reports and the Electronic UIF File.

See: Adding Lookup Types and Values, *Oracle HRMS Configuring, Reporting, and System Administration Guide*

### **Step 3: Set Up the User Table for NQF SETA and Skills Development Levy**

You set up the NQF user table to record NQF SETA information and to run the skills development levy report.

See: Setting Up the User Table for NQF SETA and Skills Development Levy, page 3-8

### **Step 4: Set Up User Tables for Employment Equity and UIF**

You must set up user tables for Employment Equity and UIF. Before you set up the Employment Equity and UIF tables, you must run the Termination Categories Setup Process.

See Running the Termination Category Setup Process, page 2-31 and Setting Up User Tables, page 2-32 for the Employment Equity Report and the Electronic UIF File.

### **Step 5: Define South African Organization Structures**

When defining your organizations, you must set up South African-specific classifications and additional information for the following:

- ACB Installation
- NQF SETA
- Tax File Creator
- Employment Equity
- ZA Tax
- UIF File Creator

See: Entering Additional Information, page 1-25 for more information.

### **Step 6: Load CDV Bank Codes for ACB Payments**

You must load CDV bank codes before you can run the ACB payroll processes.

See: Load CDV Bank Codes, page 7-9

**Note:** You are unable to enter bank details when setting up Organizational and Personal Payment Methods until the CDV bank



codes are loaded.

#### **Step 7: Set Up Printers**

To run South African reports in Oracle HRMS, you need to associate the predefined print styles with your printer driver.

See: *Setting Up Your Printers, Oracle HRMS Configuring, Reporting, and System Administration Guide.*

#### **Step 8: Set Up RetroPay**

You need to set up the retropay information to process these payments correctly.

See: *Setting Up Enhanced RetroPay with Component Usages and Element Time Spans, Oracle HRMS Payroll Processing Management Guide*

#### **Step 9: Calculate Taxable Fringe Benefits**

You need to create formulae to calculate the taxable portion of fringe benefits.

#### **Step 10: Set Up User Element for UIF Calculation based on Hours Worked**

Set up the following:

1. Create an information element, recurring in nature, for anyone that is known to work under the 24 hrs per month. This element feeds ZA\_UIF\_HOURS\_WORKED predefined balance. The default value for the Pay value input value can be 25 (greater than the minimum hours worked that is 24) so that it gets calculated for all the employees.
2. Link this element to the applicable payrolls.
3. Enter an applicable value for the Use Hrs Worked input value of the ZA\_UIF\_Employee\_Contribution element. Select No, if you are choosing to opt out an assignment from using this functionality (when you are using this functionality at the legal entity level), else select Yes. If you leave this element entry value blank, then the application uses the value that you selected at the legal entity level.
4. If you select Yes for an assignment while selecting No for the UIF Calc Based on Working Hours segment or leave it blank, then the application displays an error message when you run payroll or QuickPay for the assignment. The error message informs you that you have selected the UIF Calculation Based on Hours Worked functionality at the assignment level but not at legal entity level and you need to amend the setup to ensure these values are the same at both levels.



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