Oracle Fusion Cloud Human Resources

Implementing Payroll for Canada

25A

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Get Help

There are a number of ways to learn more about your product and interact with Oracle and other users.

Get Help in the Applications

Some application pages have help icons to give you access to contextual help. If you don't see any help icons on your page, click your user image or name in the global header and select Show Help Icons. If the page has contextual help, help icons will appear.

Get Support

You can get support at *My Oracle Support*. For accessible support, visit *Oracle Accessibility Learning and Support*.

Get Training

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Use *Cloud Customer Connect* to get information from industry experts at Oracle and in the partner community. You can join forums to connect with other customers, post questions, suggest *ideas* for product enhancements, and watch events.

Learn About Accessibility

For information about Oracle's commitment to accessibility, visit the *Oracle Accessibility Program*. Videos included in this guide are provided as a media alternative for text-based topics also available in this guide.

Share Your Feedback

We welcome your feedback about Oracle Applications user assistance. If you need clarification, find an error, or just want to tell us what you found helpful, we'd like to hear from you.

You can email your feedback to *oracle_fusion_applications_help_ww_grp@oracle.com*.

Thanks for helping us improve our user assistance!

1 About This Guide

Overview

This guide identifies and describes Canadian setup tasks for Oracle Payroll.

Objectives

This guide supports the implementation team in understanding the concepts and the requisite setup tasks for implementing payroll for Canada. The guide covers the following:

- Payroll concepts
- Geographies and addresses
- Payroll objects
- Elements, fast formulas, and balances
- Payroll calculation components
- Banking setup and payment methods
- Security profile, auditing, and data validations

For more in-depth information about related tasks, in addition to this guide, the implementation team must refer to the specific resources mentioned in the Other Documents section.

Audience

This guide provides practical end-to-end guidance for Oracle Payroll for Canada implementations. It's assumed that you have working knowledge of the basic principles of payroll and you're familiar with the payroll terminology and the Canadian legislative requirements. It is also assumed that you have consulted the following two guides:

- Implementing Global Human Resources guide to complete the related prerequisite HR tasks required for payroll implementation.
- Oracle Applications Cloud Using Functional Setup Manager guide to have a detailed understanding of the Functional Setup Manager and the implementation tasks.

Before you start implementing the payroll application, it's imperative that:

- You have the Payroll license
- You have completed the initial setup of the Oracle Fusion application
- You have completed implementing Global Human Resources and the HR-specific tasks required for payroll implementation and processing. For example, setting up requisite jurisdictions for tax reporting.

While this guide is primarily intended for the implementation team, it can also be useful for users who run payroll processes after implementation.

Organization and Format

This guide provides step-by-step information to help you understand payroll concepts, implementation task order, and setup tasks necessary for you to implement Oracle Payroll for Canada. This guide is a combination of the Global Payroll Implementation guide and Canada-specific information for implementing payroll for Canada. You only need this one guide for your implementation.

Specific information regarding the requisite tasks can be found in relevant sections of this document. At the end of each topic are links to related topics. These links help you find additional information available in the Oracle Help Center.

Other Documents

For more information about generic and related tasks, you must refer to the guides at docs.oracle.com/cloud/latest/globalcs_gs/docs.htm.

For more Canada-specific information, refer to the Canada Information Center at https://support.oracle.com/rs?type=doc&id=2102586.2

To receive important Canada Legislative Product News, you must subscribe to the *Hot Topics Email* feature available in My Oracle Support. Refer to:

CA-Welcome tab > Other Documents > How to Use My Oracle Support Hot Topics Email Subscription Feature

2 Let's Get Started

Implement Global Human Resources Cloud Payroll

To implement Payroll for Canada, sign-in as a user with the Application Implementation Consultant or Payroll Implementor role and opt into the offerings applicable to your business requirements.

Before you begin implementing Global Payroll, you must complete:

- Initial application setup.
- Implementation of Global Human Resources and the requisite HR setup tasks for implementing and processing payroll. For more information, refer to the Implementing Global Human Resources guide.

Refer to the Oracle Applications Cloud Using Functional Setup Manager guide to manage the opt-in and setup of your offerings.

For implementing Payroll for Canada, use the Workforce Deployment offering and the Customer Data Management Offering.

Workforce Deployment Offering

Use this offering to set up enterprise structures, legal entities, and organizations to create and maintain information related to people, employment, work structures, and statutory requirements. The offering also includes tasks for defining payroll business objects required for processing and costing payroll, processing payments, and generating statutory reports.

This table lists the setup tasks required to implement Payroll for Canada. Perform all of these tasks from the Setup and Maintenance work area.Use **My Enterprise**on the Home page to navigate to Setup and Maintenance. Most of these tasks are under the Workforce Deployment offering unless otherwise specified in the first column of this table.

Setup Tasks for Implementing Payroll for Canada

Implementation Tasks List	Task Name	What you must do	Where to Find Information (Search on the Oracle HelpCenter for titles listed in this column)
Prerequisite Tasks for Payroll Setup			
Setup and Maintenance	Create an Implementation Project	Create an implementation project and select the enabled Workforce Deployment offering to generate the initial list of setup tasks required to implement the Global Payroll application.	• How You Use ImplementationProjects to Manage Setup • Create an Implementation Project for Canada • Manage Setup UsingImplementation Projects
• Offering: Customer Data Management	Manage Territories	If you're unable to find a specific country in the Manage	• Create Countries

Implementation Tasks List	Task Name	What you must do	Where to Find Information (Search on the Oracle HelpCenter for titles listed in this column)
Prerequisite Tasks for Payroll Setup			
• Functional Area: Application Extensions		Geographies page, create the country. Use this country to set up your organization and other setup tasks. Use the territory code and name to verify geographies, create legal addresses, and select the country extension.	
	Select Default Currency	On the Manage Territories page, select the default currency for the country. This is the currency in which balances are accumulated for this legislation.	• Manage Currencies
Define Common Applications Configuration/Define Geographies for HCM	• Maintain Canadian Geography • Manage Geographies	Use the territory code to verify predefined geographies and load any additionally required local geographies. You can import Oracle-licensed data from Loqate, for those countries where the data is available.	• View and Edit Geography Information for Canada • Maintain Canadian Geography • Change Primary Display of Province Names for Canada
Define Common Applications Configuration/Define Features by Country or Territory	Features by Country or Territory	Select the correct product for your legislation. The country extension setting ensures that certain payroll-related features, such as element templates, work correctly in your implementation.	• How Country Extensions are Selected • Select Country Extensions for Canada
	Select Address Style and Address Validation	Check the address style and address validation for your country.	• Change Address Style and Address Validation Settings
Define Common Applications Configuration/Define Enterprise Structures for HCM	Manage Legislative Data Groups	Define at least one Legislative Data Group for each country your enterprise operates in.	• Overview of Enterprise Structures for Canada • How HCM Enterprise Structures are Defined for Canada
Define Common Applications Configuration/Define Enterprise Structures for HCM/Define Legal Jurisdictions and Authorities for HCM	Manage Legal Addresses	Create legal addresses for all organizational units of the enterprise before you create legal entities.	• Addresses for Canada • Change Address Style and Address Validation Settings
	Manage Legal Jurisdictions	Review the predefined jurisdictions for your country and create any	• Jurisdictions for Canada

Implementation Tasks List	Task Name	What you must do	Where to Find Information (Search on the Oracle HelpCenter for titles listed in this column)
Prerequisite Tasks for Payroll Setup			
		jurisdictions you require for specific local taxes.	
	Manage Legal Authorities	All legal entities must be registered against a jurisdiction that is governed by a legal authority. Create legal authorities as required.	• Legal Authorities for Canada
Define Common Applications Configuration/Define Enterprise Structures for HCM/Define Legal Entities for HCM	Manage Legal Entity	Create all legal entities that apply to the enterprise you are setting up. Designate the legal entity as a legal employer and as a payroll statutory unit (PSU) for payroll.	• Legal Entities for Canada • Define Legal Entities for Canada • Define Quebec Legal Reporting Unit Registration Code
	Manage Legal Entity Registrations	Define registration details of the legal entity you create. Register them with the appropriate government or legal authorities for the purpose of claiming and ensuring legal or commercial rights and responsibilities.	
	Manage Legal Entity HCM Information	Manage legal entity HCM information to include statutory components as required.	
Define Common Applications Configuration/Define Enterprise Structures for HCM/Define Legal Entities for HCM/Define Legal Reporting Units for HCM	Manage Legal Reporting Unit for Human Capital Management	Define legal reporting units (LRU) also known as tax reporting units, to group employee records for tax and social reporting. Also capture transmitter information for your LRU or TRU. Define the LRU contact information for Record of Employment Archive process.	• Legal Reporting Units for Canada • Define Legal Reporting Units for Canada • Define Legal Reporting Unit Contacts for Canada • How Transmitters and Tax Reporting Units Work Together for Canada
	Manage Legal Reporting Unit Registrations	Define registrations details of the LRU and register them with the appropriate government or legal authorities for the purpose of claiming and ensuring legal or commercial rights and responsibilities.	

Implementation Tasks List	Task Name	What you must do	Where to Find Information (Search on the Oracle HelpCenter for titles listed in this column)
Prerequisite Tasks for Payroll Setup			
	Manage Legal Reporting Unit HCM Information	Review the LRU that employs and pays workers. Define statutory requirements as required.	
Payroll Setup Tasks			
Define Payroll Legislations	Configure Payroll Legislations	Create the payroll legislative data for your country. Set up elements, balances, and other payroll-related data for implementations.	• Payroll Legislative Data • Payroll Relationships for Canada
Define Common Applications Configuration/Define Enterprise Structures for HCM/Define Legal Entities for HCM	Legal Entity Calculation Cards	Review and edit predefined calculation cards for payroll statutory units. The payroll process uses the calculation rules defined on the cards to calculate earnings and deductions.	• Examples of Creating Calculation Cards for Deductions at Different Levels • Create a Legal Entity Calculation Card for Canada • How Province of Employment Works with Calculation Cards for Canada • Involuntary Deductions Calculation Card Components for Canada • Create the Reporting Information Calculation Card for Canada
Define Common Applications Configuration/Define Enterprise Structures for HCM/Define Legal Entities for HCM/Define Legal Reporting Units for HCM	Legal Reporting Unit Calculation Cards	Review and edit predefined calculation cards for tax reporting units. The payroll process uses the calculation rules defined on the cards to calculate earnings and deductions.	• How Personal Calculation Card Entries Fit Together for Canada • Enterable Values on the Personal Calculation Card for Canada
Define Payroll/Define PayrollBusiness Definitions	• Payroll Lookups • Payroll Value Sets • Descriptive Flexfields for Payroll • Extensible Flexfields for Payroll	Create lookups, value sets, and descriptive and extensible flexfields that you need to support payroll.	• Define Lookups • Manage Value Sets • HCM Flexfield Setup • HCM Flexfield Maintenance
Define Payroll/Define Earning and Deduction Definitions	• Elements • Element Classifications	The application provides many predefined elements that can't be modified at the implementation• level. Define additional elements as required.	• Elements for Canada • Define Earning and Deduction Definitions for Canada • How Elements Hold Payroll Information for Multiple Features for Canada

Implementation Tasks List	Task Name	What you must do	Where to Find Information (Search on the Oracle HelpCenter for titles listed in this column)
Prerequisite Tasks for Payroll Setup			
		Associate a reporting type to a secondary classification.	• Element Classifications for Canada • How Element Classification Components Work Together for Canada • Associate a Reporting Type to a Secondary Classification for Canada • Configure Earnings and Absence Elements for ROE Reporting • Define Payroll Elements for Processing Absences for Canada • Create a Time Card Element for Canada • Create an Involuntary Deduction Element for Canada
	Calculation Value Definitions	Review the tables that hold the rates and values used to calculate earnings, deductions and exemption amounts. Create new calculation definitions as needed.	• Calculation Value Definitions for Canada • Wage Basis Rules for Canada
	Payroll Calculation Information	Review the payroll calculation information rules and definitions generated for user-defined elements. These rules and definitions are used for calculation of earnings and deduction amounts.	• Payroll Calculation Information for Canada • Tax Calculation Methods for Canada • View Payroll Tax Information for Canada • Options for Provincial Medical Liability Processing • Options for Workers' Compensation Liability Processing for Canada • Overview of Vacation Liability Processing for Canada
	Values Defined by Criteria	Create the criteria rules or evaluation conditions that determine a particular value or rate.	• Overview of Values Defined by Criteria • Examples of Managing Values Defined by Criteria for Canada
	Rate Definitions	Review the predefined rate definitions and create new	• Overview of Rate Definitions

Implementation Tasks List	Task Name	What you must do	Where to Find Information (Search on the Oracle HelpCenter for titles listed in this column)
Prerequisite Tasks for Payroll Setup			
		definitions as needed. The rate definition can either be a derived rate or a value defined by criteria.	• Options for Creating Rate Definitions for Canada
	Component Group Rules	Review the rules defined for earnings and deductions that belong to the same component group and create new rules.	• Component Group Rules
Define Payroll/Define Balance Definitions	• Balance Definitions • Balance Groups • Balance Group Usages • Balance Exceptions • Balance Exception Reports	The application provides many predefined balances. Review the definitions of predefined balances and create new definitions, including assigning dimensions and feeds.	• Payroll Balance Definitions • Balance Types and Balance Dimensions for Canada • Balance Group Usages for Canada
Define Payroll/Define Payment Methods/Set Up Banks, Branches, and Accounts	• Manage Banks • Manage Bank Branches • Manage Bank Accounts	Create and edit banks, branches, and accounts.	• Bank Account User Rules by Country • Bank Accounts • Object Group HCM Data Loader Files for Bank Reprocessing for Canada
Define Payroll/Define Payment Methods	Organization Payment Methods	Review predefined organization payment methods and create new methods and their payment sources.	• Organization Payment Methods for Canada
	Direct Deposits	Configure Direct Deposit Payments for Canada	• Direct Deposit Configuration for Canada
	Third-Party Payees and Payments	Create third parties to process payments to external organizations and to people who aren't on the payroll.	• Third Parties Overview • Third-Party Rollup Payments for Canada
Define Payroll/Define Pay Frequency	Consolidation Groups	Review the consolidation groups assigned to payroll definitions and create new groups. They let you process the results from more than one payroll in a single action.	• Consolidation Groups
	Time Definitions	Review predefined time definitions and create or update static and dynamic intervals of time.	• Time Definitions

Implementation Tasks List	Task Name	What you must do	Where to Find Information (Search on the Oracle HelpCenter for titles listed in this column)
Prerequisite Tasks for Payroll Setup			
	Payroll Definitions	Create and update payroll definitions that specify the payment frequency, processing schedule, and other parameters.	• Payroll Definitions • Options to Manage Payroll Definitions for Canada • Run Types • Pay Frequency • Statutory and Earning Periods for Canada • Periodicity
Define Payroll/Define Fast Formulas	User-Defined Tables	Review the predefined table structures and create and update new user-defined table structures.	• User-Defined Tables
	Fast Formulas	Review predefined formulas and create new ones to validate or calculate data for payroll.	• Fast Formulas

Security Reference

The tasks that people can do and the data that they can see depend on their roles, duties, and privileges. For information about these factors, see these two guides:

- *Securing HCM*
- *Security Reference for HCM*

Other Document References

For more detailed information about the setup tasks and other related applications and tasks, refer to these guides at docs.oracle.com/cloud/latest/globalcs_gs/docs.htm.

- Administering Payroll for Canada
- Administering Global Payroll Flows
- Administering Fast Formula
- Administrating Payroll Costing
- Implementing Absence Management
- Implementing Benefits
- Implementing Time and Labor
- Implementing Workforce Compensation
- Administering Absences for Canada
- Administering Involuntary Deductions for Canada

Responsive User Experience Setup

Deep Links

You can use deep links to provide easy navigation directly to a page in the HCM Cloud application.

You can also use deep links for mobile responsive pages on your intranet, custom and third-party applications, or in a document. This helps people run transactions in the HCM cloud and provides quick access to their HR information.

To access deep links:

1. Open the main menu.
2. Go to **Tools> Deep Links**.
3. Copy the URL for a deep link.
4. Paste the URL in the appropriate location.

When you open Deep Links, you find a list of all available deep links.

Search Logic Profile Options for Client List of Values

You can use the logic <codeph>CONTAINS</codeph> to create the client list of values. This returns results containing the characters you enter.

Optionally, for individual list of values, you could change this logic to <codeph>STARTS WITH</codeph>, to return results that start with the search characters you enter.

For example, when you search for a person with the name John Smith while using the logic `CONTAINS`, you can search by '**jo'** or **'sm'** or **'th'**. When you use the logic `STARTS WITH`, your search must start with '**j'**.

Use the logic `STARTS WITH` when your list contains thousands of values (more than 15,000 records) to improve the search performance. Or, if you don't partition your data by set ID.

> **Note:** If you change the search logic for a client list of values, the logic changes in all pages where the list of values is used.

Related Topics

- Search Logic Profile Options for Client List of Values in Global Human Resources

Use Transaction Design Studio to Configure Field Displays

Use the Transaction Design Studio (TDS) to configure transactions and pages for responsive applications. TDS is available within the HCM Experience Design Studio.

You can control the visibility of attributes that are displayed either as **Delivered** or **Enabled**, and the availability of fields and sections of a transaction based on the user's role, person's business unit, or legal employer.

By default, the responsive pages display the often used attributes and hide the less often used attributes. Use Page Composer to personalize the responsive pages and display the attributes and tabs delivered within the feature.

Here's how you start HCM Experience Design Studio:

1. Sign in to the application as Human Capital Management Application Administrator with Access HCM Page Configurator (HRC_ACCESS_HCM_TRANSACTION_CONFIGURATOR_PRIV) privilege. This privilege provides you access to TDS in HCM Experience Design Studio.
2. Enable a sandbox to compose data for configuring business objects. On the Home page, click the **HCM Experience Design Studio** quick action under the **My Client Groups** tab.
3. Under **Settings and Actions**, click **Edit Pages**.
4. Select the site layer and click **OK**.

Related Topics

- Overview of Page Modification

HCM Data Roles

Role Provisioning and Deprovisioning

You must provision roles to users. Otherwise, they have no access to data or functions and can't perform application tasks. This topic explains how role mappings control role provisioning and deprovisioning.

Use the **Manage Role Provisioning Rules** or **Manage HCM Role Provisioning Rules** task to create role mappings.

Role Provisioning Methods

You can provision roles to users:

- Automatically
- Manually
  - Users such as line managers can provision roles manually to other users.
  - Users can request roles for themselves.

For both automatic and manual role provisioning, you create a role mapping to specify when a user becomes eligible for a role.

Role Types

You can provision data roles, abstract roles, and job roles to users. However, for Oracle Fusion Cloud HCM users, you typically include job roles in HCM data roles and provision those data roles.

Automatic Role Provisioning

Users acquire a role automatically when at least one of their assignments satisfies the conditions in the relevant role mapping. Provisioning occurs when you create or update worker assignments. For example, when you promote a worker to a management position, the worker acquires the line manager role automatically if an appropriate role mapping exists. All changes to assignments cause review and update of a worker's automatically provisioned roles.

Role Deprovisioning

Users lose automatically provisioned roles when they no longer satisfy the role-mapping conditions. For example, a line manager loses an automatically provisioned line manager role when he or she stops being a line manager. You can also manually deprovision automatically provisioned roles at any time.

Users lose manually provisioned roles automatically only when all of their work relationships are terminated. Otherwise, users keep manually provisioned roles until you deprovision them manually.

Roles at Termination

When you terminate a work relationship, the user automatically loses all automatically provisioned roles for which he or she no longer qualifies. The user loses manually provisioned roles only if he or she has no other work relationships. Otherwise, the user keeps manually provisioned roles until you remove them manually.

The user who's terminating a work relationship specifies when the user loses roles. Deprovisioning can occur:

- On the termination date
- On the day after the termination date

If you enter a future termination date, then role deprovisioning doesn't occur until that date or the day after. The Role Requests in the Last 30 Days section on the Manage User Account page is updated only when the deprovisioning request is created. Entries remain in that section until they're processed.

Role mappings can provision roles to users automatically at termination. For example, a terminated worker could acquire the custom role Retiree at termination based on assignment status and person type values.

Reversal of Termination

Reversing a termination removes any roles that the user acquired automatically at termination. It also provisions roles to the user as follows:

- Any manually provisioned roles that were lost automatically at termination are reinstated.
- As the autoprovisioning process runs automatically when a termination is reversed, roles are provisioned automatically as specified by current role-provisioning rules.

You must reinstate manually any roles that you removed manually, if appropriate.

Date-Effective Changes to Assignments

Automatic role provisioning and deprovisioning are based on current data. For a future-dated transaction, such as a future promotion, role provisioning occurs on the day the changes take effect. The **Send Pending LDAP Requests** process identifies future-dated transactions and manages role provisioning and deprovisioning at the appropriate time. These role-provisioning changes take effect on the system date. Therefore, a delay of up to 24 hours may occur before users in other time zones acquire their roles.

Create HCM Data Roles for Global Payroll Implementation Users

If you've licensed the Oracle Fusion Global Payroll Cloud Service, then you create the PayrollAdmin_ViewAll and PayrollMgr_ViewAll data roles. You create these roles using the Assign Security Profiles to Role task.

Create the PayrollAdmin_ViewAll Data Role

If you're already on the Manage Data Roles and Security Profiles page, then follow this procedure from step 2. Otherwise, sign in as the TechAdmin user and follow these steps:

1. In the Setup and Maintenance work area, go to the following:
   - Functional Area: Users and Security
   - Task: Assign Security Profiles to Role

   You can also go to this page by selecting **Navigator** > **My Client Groups** > **Workforce Structures** > **Data Roles and Security Profiles**.
2. In the Search Results section of the Manage Data Roles and Security Profiles page, click **Create**.
3. Complete the fields on the Create Data Role: Select Role page as shown in the following table.

Field	Value
Data Role Name	PayrollAdmin_ViewAll
Job Role	Payroll Administrator

4. Click **Next**.
5. In the sections of the Create Data Role: Security Criteria page, select the following predefined security profiles for each drop-down list.

Section	Security Profile
Organization	View All Organizations
Position	View All Positions
Legislative Data Group	View All Legislative Data Groups
Person	View All People
Document Type	View All Document Types
Payroll	View All Payrolls
Payroll Flow	View All Flows

6. Click **Review**.
7. On the Create Data Role: Review page, click **Submit**.

8. On the Manage Data Roles and Security Profiles page, search for the PayrollAdmin_ViewAll data role to confirm that it exists.

Create the PayrollMgr_ViewAll Data Role

Follow these steps:

1. In the Search Results section of the Manage Data Roles and Security Profiles page, click **Create**.
2. Complete the fields on the Create Data Role: Select Role page as shown in the following table.

Field	Value
Data Role Name	PayrollMgr_ViewAll
Job Role	Payroll Manager

3. Click **Next**.
4. In the sections of the Create Data Role: Security Criteria page, select the predefined security profiles shown in this table.

Section	Security Profile
Organization	View All Organizations
Position	View All Positions
Legislative Data Group	View All Legislative Data Groups
Person	View All People
Document Type	View All Document Types
Payroll	View All Payrolls
Payroll Flow	View All Flows

5. Click **Review**.
6. On the Create Data Role: Review page, click **Submit**.
7. On the Manage Data Roles and Security Profiles page, search for the PayrollMgr_ViewAll data role to confirm that it exists.

Related Topics

- Overview of HCM Data Roles for Implementation Users

How do I provision HCM data roles to users?

On the Create Role Mapping page, create a role mapping for the role.

Select the **Autoprovision** option to provision the role automatically to any user whose assignment matches the mapping attributes.

Select the **Requestable** option if any user whose assignment matches the mapping attributes can provision the role manually to other users.

Select the **Self-Requestable** option if any user whose assignment matches the mapping attributes can request the role.

Implementation Project

Create an Implementation Project

Define setup tasks for an organization hierarchy in an implementation project.

Let's look at the steps to create an implementation project:

1. Sign in to the Oracle Fusion application using a role that has the profile of a superuser and privileges to create all organizational structures.
2. Select **Setup and Maintenance** from the Navigator.
3. On the Implementation Projects tab, click **Create**.
4. On the Create Implementation Project page, provide a name and start date for your project and click **Next**.
5. Select **Workforce Deployment** as the offering, since this parent project contains all the tasks to set up HCM organizational structures.
6. For Payroll implementations, further select **Payroll** and then **Canadian Payroll**.
7. Click **Save and Open Project**.

   This parent project contains all the tasks to set up HCM organizational structures.

Date Effectivity

Overview

Date effectivity preserves a history of changes made to the attributes of some objects. As a Professional user, you can retrieve and edit past and future versions of an object.

Many Human Capital Management (HCM) objects, including person names, assignments, benefits plans, grades, jobs, locations, payrolls, and positions are date-effective.

Logical and Physical Records

Date-effective objects include one or more physical records. Each record has effective start and end dates. One record is current and available to transactions. Others are past or take effect in the future. Together, these records constitute the logical record or object instance. For a date-effective logical row, which is a collection on contiguous temporal physical rows, each physical row CreatedBy (CREATED_BY) and CreationDate (CREATION_DATE) are the same.

This table shows changes to the department manager attribute in a department business object. Each row represents a single physical record.

Physical Record	Effective Start Date	Effective End Date	Department Manager
4	18 January, 2022		C. Woods
3	15 October, 2021	17 January, 2022	A. Chan
2	13 June, 2020	14 October, 2021	T. Romero
1	22 March, 2019	12 June, 2020	G. Martin

Note: The physical record number doesn't appear in the record.

Effective End Dates in Physical Records

Every physical record except the last has an effective end date. The update process adds this date, which is the day before the effective start date of the next record, whenever you update the object.

Object End Dates

You can enter a final effective end date for some date-effective objects. For example, terminating an assignment adds a final effective end date to the assignment. Alternatively, the **End Date** action may be available. If you end date a date-effective object, then it isn't available to transactions after that date. But the object's history is retrievable.

Status Values in Date-Effective Objects

Some date-effective objects, such as grades and jobs, have both effective dates and status values. When the object status is **Inactive**, the object isn't available to transactions, regardless of its effective dates. Setting the status to **Inactive** makes objects unavailable to transactions. If you can't enter an effective end date for an object, then changing its status has the same effect.

Future-Dated Changes

For date-effective objects, you can enter future changes. For example, you enter the worker promotion shown in this table on 25 July, 2022 to take effect on 18 October, 2022.

Physical Record	Effective Start Date	Effective End Date	Grade
2	18 October, 2022		IC2

Physical Record	Effective Start Date	Effective End Date	Grade
1	14 December, 2020	17 October, 2022	IC1

Physical record two becomes current on 18 October, 2022. From 14 December, 2020 until 17 October, 2022 physical record one is current and available to transactions. If you can access the object history, you can see physical record two before it takes effect.

When future-dated changes exist, other actions may be limited. For example, to end this worker's assignment before the promotion takes effect, you must first delete the promotion.

Date-Enabled Objects

Some objects, such as work relationships, are date-enabled rather than date-effective. They have start and end dates that define when they're available, but they have no history of changes. New attribute values overwrite existing attribute values.

Related Topics

- How You Delete Physical Records from Date-Effective Objects
- Examples of Updating Date-Effective Objects
- Examples of Correcting Date-Effective Objects
- How You Make Multiple Updates to Date-Effective Objects in One Day

How You Delete Physical Records from Date-Effective Objects

The effect of deleting a physical record from a date-effective object depends on the record's position in the object's history.

Consider the date-effective object, which has three physical records, shown in this table.

Physical Record	Effective Start Date	Effective End Date	Attribute Value
3	15 August, 2022		C
2	30 October, 2021	14 August, 2022	B
1	10 June, 2020	29 October, 2021	A

Intermediate Records

If you delete physical record two, where the attribute value is B, then the object is as shown in this table after the deletion.

Physical Record	Effective Start Date	Effective End Date	Attribute Value
2	15 August, 2022		C
1	10 June, 2020	14 August, 2022	A

If physical records exist both before and after the deleted record, then the deletion adjusts the dates of the surrounding records automatically. The effective end date of the previous record is now the day before the effective start date of this record. This change closes the gap in the object's effective dates.

First or Only Records

In most cases, you can't delete the first or only physical record.

If you can delete the first physical record, then the object exists from the effective start date of the next physical record (30 October, 2010 in this example). If only one physical record exists, then deleting that record is the same as deleting the object.

Final Records

If you delete the final physical record, then the deletion removes the effective end date automatically from the previous physical record (14 August, 2011, in this example).

3 Payroll Concepts

Legislation

Payroll Legislative Data

Use the Configure Legislations for Human Resources task in the Setup and Maintenance area to create and edit payroll rules for countries or territories not initially provided by Oracle.

Objects you can configure include:

- Legislative rules
- Element classifications
- Valid payment types
- Component groups
- Balance dimensions
- Legislative data groups

Legislative Rules

Legislative rules govern how to manage employee records when you rehire employees into your organization. For example, for some countries, a rehire continues to be associated with the earlier payroll relationship, thereby having access to prior data, such as year-to-date balances. For some other countries, a rehire creates a new payroll relationship record with no access to prior data. The statutory rules for your country or territory determines the selections you make, such as the starting month of the tax year.

The legislative rules you can configure include mappings between system person types and payroll relationship types. This mapping controls which person types you can include in payroll calculation processing, such as the Calculate Gross Earnings process.

> **Note:** You can't undo payroll relationship type mapping. If you select an element entries only option for a person type and then at a later date decide to use the Calculate Gross Earnings process, the process won't generate results for that person type. Consider using a standard option to provide more flexibility.

Element Classifications

Element classifications are collections of related elements. You select the primary classifications you want to include for your elements. You can provide new display names for element classifications to match the terminology that's most appropriate for your country or territory.

Valid Payment Types

Payment types are the means by which you issue payments to workers. The predefined payment types are Check, Cash, EFT (electronic funds transfer), and International Transfer. You can provide new display names for payment types to match terminology that's most appropriate for your country or territory.

Component Groups

Component groups are logical sets of payroll components, which are the rates and rules that determine calculated values for some earnings and deduction elements. You can provide new display names for the component groups you want to support to match terminology that's most appropriate for your country or territory.

The Configure Legislations for Human Resources task creates a calculation card definition and payroll components for each component group you enable. When you create elements in certain classifications and categories, the element template associates the element with a payroll component and creates calculation components that you can add to workers' calculation cards. The calculation card creates the components for the component groups you selected. The element template then associates these components with the statutory elements you create. Ensure that you associate these components with your employees through element eligibility for calculation to be processed.

Depending on the legislative rules, if you enable the Federal or Social Insurance component groups and set your country extension on the Features by Country or Territory page to Payroll or Payroll Interface for your country or territory, hiring workers automatically creates a statutory deduction calculation card for them. Ensure that you create eligibility records for your statutory deduction elements before hiring any workers.

Balance Dimensions

Balance dimensions identify the specific value of a balance at a particular point in time, based on a combination of criteria, including time, employee relationship level, jurisdiction, and tax reporting unit. You can provide new display names for the balance dimensions you want to support to match terminology that's appropriate for your country or territory.

The Configure Legislations for Human Resources task creates some predefined balances that the application uses within the statement of earnings, such as Gross Earnings and Net Pay. Additionally, the Net Payment balance is required to set up organization payment methods.

Legislative Data Groups

Use the Manage Legislative Data Groups task in the Setup and Maintenance area to define at least one legislative data group for each country or territory where your enterprise operates.

Related Topics

- Legislative Data Groups

Configure Legislations

Create the legislative content for a country or territory in the Setup and Maintenance area as part of implementing Oracle Human Resources. The Installed Legislations page shows which country extensions are predefined or already implemented or both.

This procedure outlines the steps required to configure a legislation that isn't predefined by Oracle.

When you first configure a legislation, the flow guides you through a series of setup steps for the objects necessary to set up elements, balances, and other payroll-related data for implementations. The objects you can configure include:

- Legislative Rules
- Element Classifications
- Payment Types

- Component Groups
- Balance Dimensions

Set Legislative Rules

Legislative rules govern default values and how to manage employee records in your organization. Base your selections on the statutory rules for your country or territory.

1. In the Setup and Maintenance area, go to the Configure Legislations for Human Resources task.

   > **Note:** Use the Configure Payroll Legislations task if you're implementing Global Payroll.

2. Select the country or territory from the list on the Installed Legislations page.
3. Select **Legislative Rules** from the left-pane and click **Edit**.
4. Select the month and day of the typical tax year. For example, 01 for January and 01 for the first day of the month.
5. Select the currency to use by default for this country or territory.
6. Select a payroll relationship rule. This value determines how employment records are created when employees are hired or rehired.
7. Review the mapping of the predefined system person types to payroll relationship types. Select appropriate values for your country or territory.
8. Click **Save**.

   > **Note:** You can't undo payroll relationship type mapping. If you select an 'element entries only' option for a person type and decide at a later date to use a payroll calculation process, such as Calculate Gross Earnings, the process won't generate results for that person type. If you're certain that you won't perform any type of payroll calculation, you can select an element entries only option. Selecting a standard option provides more flexibility.

Select Objects and Modify Display Names

The flow guides you through selecting primary classifications you want to include for your elements, payment types, balance dimensions, and component groups. For each of these objects, you can provide new display names to match the terminology that's most appropriate for your country or territory.

1. Select **Element Classifications** from the left pane and click **Edit**. Select the primary classifications you want to include for your elements.
2. For each primary classification you select, optionally edit the value in the Display Name column, and then click **Next**.
3. Select the payment types to include, such as Check/Cheque and EFT (electronic funds transfer).

   The payment types you select here are available when you create organization payment methods for your country or territory.
4. For each payment type you select, optionally edit the value in the Display Name column, and then click **Next**.
5. Select the component groups to include.
6. For each component group you select, optionally edit the value in the Display Name column, and then click **Next**.
7. Add any balance definitions as needed that aren't already selected. The page displays all balance dimensions available for your country or territory.
8. For each selected balance definition, optionally edit the value in the Display Name column.
9. Click **Submit**.

How Legislations are Edited

If you have configured legislative content for a country or territory not already predefined by Oracle, you can edit it using the Configure Legislations for Human Resource task.

Your ability to edit the legislative rules and objects depends on the other objects in the legislation.

Legislative Rules and Objects You Can't Edit or Delete

The following tables summarize the restrictions when you're editing legislative content for a country or territory.

Legislative Rule	Restriction
Tax Year Start Date	Can't change after running a payroll process
Currency	Can't change after initial configuration because it would impact generated balances
Payroll Relationship Type Mapping	Can change, but affects only future person records, not existing person records

Object	Restriction
Element Classification	Can't delete if you have created an element of that primary classification
Payment Type	Can't delete if you have created payment methods for that payment type
Component Group	Can't delete if you have created calculation cards for that component group
Balance Dimension	Can't delete if you have created balances with that dimension

Enterprise Structures

Overview of Enterprise Structures

There are a wide variety of options available to help you model your enterprise to meet your legal and management objectives. The organization structures you define are affected by your:

- Industry
- Business unit requirements for autonomy

- Business and accounting policies
- Business functions performed by business units and optionally, centralized in shared service centers
- Locations of facilities

Every enterprise has three fundamental structures that describe its operations and provide a basis for reporting.

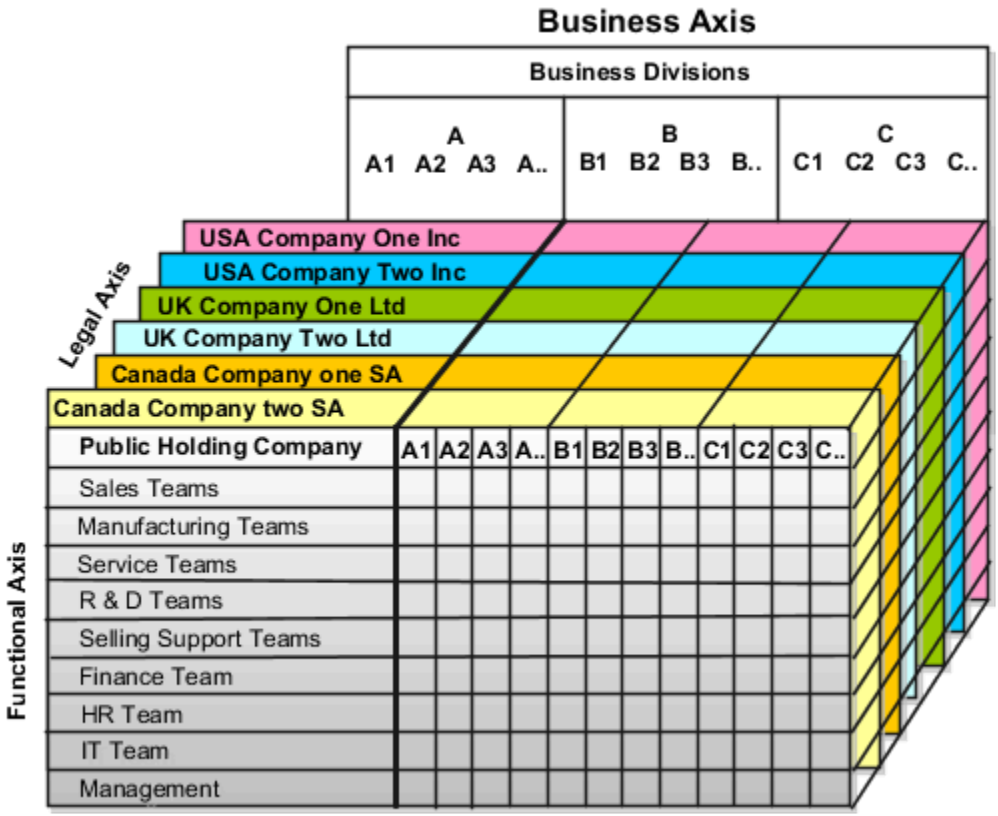
- Legal
- Managerial
- Functional

You implement these structures using the chart of accounts and organization hierarchies. There are many alternative hierarchies you can implement and use for reporting. You are likely to have one primary structure that organizes your business into:

- Divisions
- Business Units
- Departments

Align these structures with your strategic objectives.

This figure illustrates a grid with Business Axis, representing the enterprise division, Legal Axis representing the companies, and the Functional Axis representing the business functions.



Legal Structure

The figure illustrates a typical group of legal entities, operating various business and functional organizations. Your ability to buy and sell, own, and employ comes from your charter in the legal system. A corporation is:

- A distinct legal entity from its owners and managers.
- Owned by its shareholders, who may be individuals or other corporations.

Many other kinds of legal entities exist, such as sole proprietorships, partnerships, and government agencies.

A legally recognized entity can own and trade assets and employ people in the jurisdiction in which the entity is registered. When granted these privileges, legal entities are also assigned responsibilities to:

- Account for themselves to the public through statutory and external reporting.
- Comply with legislation and regulations.
- Pay income and transaction taxes.
- Process value added tax (VAT) collection on behalf of the taxing authority.

Many large enterprises isolate risk and optimize taxes by incorporating subsidiaries. They create legal entities to facilitate legal compliance, segregate operations, optimize taxes, complete contractual relationships, and isolate risk. Enterprises use legal entities to establish their enterprise's identity within the laws of each country in which their enterprise operates.

In this figure you can see:

- How a separate card can represent a series of registered companies.
- How each company, including the public holding company, InFusion America, is registered in the countries where they do business.
- How each company contributes to various divisions created for purposes of management reporting. These are shown as vertical columns on each card.

For example, a group might have a separate company for each business in the United States (US), but have its Canada legal entity represent all businesses in Canada.

The divisions are linked across the cards so that a business can appear on some or all of the cards. For example, the air quality monitoring systems business might be operated by the US, UK, and Canada companies. The list of business divisions is on the Business Axis.

Each company's card is also horizontally striped by functional groups, such as the sales team and the finance team. This functional list is called the Functional Axis. The overall image suggests that information might, at a minimum, be tracked by company, business, division, and function in a group environment. In Oracle Fusion Applications, the legal structure is implemented using legal entities.

Management Structure

Successfully managing multiple businesses requires that you segregate them by their strategic objectives, and measure their results. Although related to your legal structure, the business organizational hierarchies don't have to be reflected directly in the legal structure of the enterprise. The management structure can include divisions, subdivisions, lines of business, strategic business units, profit, and cost centers. In the figure, the management structure is shown on the Business Axis. In Oracle Fusion Applications, the management structure is implemented using divisions and business units as well as being reflected in the chart of accounts.

Functional Structure

Straddling the legal and business organizations is a functional organization structured around people and their competencies. For example, sales, manufacturing, and service teams are functional organizations. This functional structure is represented by the Functional Axis in the figure. You reflect the efforts and expenses of your functional organizations directly on the income statement. Organizations must manage and report revenues, cost of sales, and functional expenses such as research and development and selling, general, and administrative expenses. In Oracle Fusion Applications, the functional structure is implemented using departments and organizations, including sales, marketing, project, cost, and inventory organizations.

Legal Entities

A legal entity is an entity identified and given rights and responsibilities under commercial law, through registration with the territory's appropriate authority.

A legal entity can legally:

- Own property
- Trade
- Repay debt
- Account for themselves to company regulators, taxation authorities, and owners according to rules specified in the relevant legislation through balance sheets, income statements, specified reports, and so on.

The judicial framework may enforce their rights and responsibilities.

For your enterprise, a legal entity may help you with:

- Facilitating local compliance
- Minimizing the enterprise's tax liability
- Preparing for acquisitions or disposals of parts of the enterprise
- Isolating one area of the business from risks in another area

  For example, your enterprise develops property and also leases properties. You could operate these two businesses separately.

There are no predefined legal entities. Create all legal entities that apply to the enterprise you're setting up. Use the Manage Legal Entity HCM Information task in the Setup and Maintenance work area.

There are several things you need to consider when you define your legal entities.

- What roles will they play
- What types of legal entities do you need
- What registrations will they require
- What additional reporting information do you need

Roles of Legal Entities

In configuring your enterprise structure, the contracting party on any transaction is always the legal entity. Individual legal entities:

- Own the assets of the enterprise
- Record sales and pay taxes on those sales
- Make purchases and incur expenses
- Perform other transactions

Legal entities must comply with the regulations of jurisdictions, in which they register.

For example, Canadian companies can register in one province and do business in other provinces.

To support local reporting requirements, you create and register legal reporting units (LRUs) within a legal entity.

You are required to publish specific and periodic disclosures of your legal entities' operations based on the different jurisdictions' requirements. Certain annual or more frequent accounting reports are referred to as statutory or external reporting. These reports must be filed with specified national and regulatory authorities.

For example, you define the Provincial Medical Liability information at the legal entity level for the provinces of Manitoba, Ontario, Quebec, and Newfoundland and Labrador. Each province has different rules for processing the provincial medical liability. Provincial medical coverage for the four provinces are funded by the employer. Capture the account and rate details at the legal entity level.

All employers covered by the Employment Equity Act must submit the Employment Equity Report to the Minister of Labour on or before June 1st of each year. You define the NACIS code for the legal entity for reporting employee equity information.

A legal entity can represent all or part of your enterprise's management framework.

Types of Legal Entities

There are two types of legal entities.

This kind	Does this
Legal employer	A legal entity that employs workers.
Payroll statutory unit (PSU)	A legal entity responsible for paying workers, including the payment of payroll tax and social insurance. A PSU can pay and report on payroll tax and social insurance on behalf of one or many legal entities. That choice depends on the structure of your enterprise.

When defining a legal entity, consider the context in which it's used:

- If the entity is to be used in an HCM context, designate it as a legal employer. In an HCM implementation, it's mandatory to define legal employers.
- If the entity is to be used in a payroll context, designate it as a PSU for payroll processing and tax reporting.
- You can define a legal entity that's both a legal employer and a PSU.
- If multiple legal employers must be grouped together for tax reporting purposes, you can associate them all with a single PSU. If legal employers don't report together, they must be segregated by PSU.

Registrations

When you create a legal entity, the entity automatically establishes a registration with the identifying jurisdiction. Specify the Employer Account Number assigned by the Canada Revenue Agency in both the Legal Entity Registration Number field and the Employer Account Number field. If the legal entity interacts with other legal authorities, create additional registrations as appropriate. Tax registrations are done at the LRU, or PSU level.

> **Note:** Capture the registration details using the Manage Legal Reporting Unit Registrations task. This task is located in the Setup and Maintenance work area.

Additional Reporting Information

When defining a legal entity, use the Manage Legal Entity HCM Information task in the Setup and Maintenance work area. Provide additional information required for HR and payroll reporting.

Use this task to provide the required information for Canadian statutory processing and reporting as shown in this table.

Report Name	Comments
Employment Equity Interface	Select the NAICS Code from the list of values for this legal entity.
Workers' Compensation	Define the Workers' Compensation information for each province in which the legal entity operates.
Provincial Medical	Define the provincial medical account information in the Provincial Medical Account Details section. Provincial medical is applicable only to these provinces where it's an employer liability, Ontario, Manitoba, Newfoundland and Labrador, and Quebec.

If the legal entity is also a PSU, specify:

- Fiscal Year Start date, and select the associated Legislative Data Group.

  > **Note:** Associate the legislative data group at the PSU level .

Legal Employers

A legal employer is a legal entity that employs workers. You define a legal entity as a legal employer in the Oracle Fusion Legal Entity Configurator.

The legal employer is captured at the work relationship level, and all assignments within that relationship are automatically with that legal employer. Legal employer information for worker assignments is also used for reporting purposes.

Legislative Data Groups

Legislative data groups are a means of partitioning payroll and related data. At least one legislative data group is required for each country where the enterprise operates.

Each legislative data group is associated with one or more payroll statutory units. Each payroll statutory unit can belong to only one legislative data group.

Payroll-related information, such as elements, is organized by legislative data group. Each legislative data group:

- Marks a legislation in which payroll is processed.
- Is associated with a legislative code, currency, and its own cost allocation key flexfield structure.
- Is a boundary that can share the same set up and still comply with the local laws.
- Can span many jurisdictions as long as they're within one country.
- Can contain many legal entities that act as payroll statutory units.

Payroll Statutory Units

Payroll statutory units are legal entities that are responsible for paying workers, including the payment of payroll tax and social insurance.

A payroll statutory unit can pay and report on payroll tax and social insurance on behalf of one or many legal entities, depending on the structure of your enterprise. For example, if you're a multinational, multiple company enterprise, then you register a payroll statutory unit in each country where you employ and pay people. You can optionally register a consolidated payroll statutory unit to pay and report on workers across multiple legal employers within the same country. You associate a legislative data group with a payroll statutory unit to provide the correct payroll information for workers.

Legal Reporting Units

A legal reporting unit (LRU) is the lowest level component of a legal structure that require registrations. Use LRUs to group your workers for the purpose of tax and social insurance reporting.

You can also use an LRU to represent a part of your enterprise with a specific statutory or tax reporting obligation. To use an LRU for tax reporting purposes, you must configure it as a tax reporting unit (TRU).

Use the Manage Legal Reporting Units task in the Setup and Maintenance work area to define and configure an LRU.

The first time you create a legal entity as a payroll statutory unit (PSU), the task automatically creates an associated LRU, which you can then identify as a TRU.

When you create an LRU that belongs to a PSU, the task automatically creates a TRU and associates it with the parent PSU. When you create an LRU that belongs to a legal employer (that's not also a PSU), you must select a parent PSU. In this way, a TRU is indirectly associated with a legal employer through the association with a PSU.

To define an LRU for Canada, you must:

What you want to do	How you do it
Create the LRU	Use the Manage Legal Reporting Units task in the Define Legal Reporting Units for Human Capital Management work area to define and configure a legal reporting unit (LRU).
Define contacts for the LRU for Record of Employment reporting	Use the Manage Legal Reporting Unit task to specify employer contact details at the LRU level.
Define the legal addresses	Use the Manage Legal Addresses task in the Workforce Deployment work area.
Specify registrations for the LRU	Use the Manage Legal Reporting Unit Registrations task in the Setup and Maintenance work area.
Set up the calculation card for the LRU	Use the Manage Legal Reporting Unit Calculation Cards task.

Plan Legal Reporting Units

Each of your legal entities has at least one legal reporting unit. Some legal reporting units can also be referred to as establishments. You can define either domestic or foreign establishments.

Define legal reporting units by physical location, such as sales offices. For example, set up legal reporting units to represent your company and its offices for tax reporting.

Planning Legal Reporting Units

Plan and define your legal reporting units at both the local and national levels if you operate within the administrative boundaries of a jurisdiction that's more granular than country. For example, your legal entity establishes operations in a country that requires reporting of employment and sales taxes locally as well as nationally. Therefore, you need more than one legally registered location to meet this legal entity's reporting requirements in each area. Additionally, legal entities in Europe operate across national boundaries, and require you to set up legal reporting units for the purposes of local registration in each country. There can be multiple registrations associated with a legal reporting unit. However, only one identifying registration can be defined by the legal authority used for the legal entity or legal reporting unit and associated with the legal reporting unit.

Tax Reporting Units

Use a tax reporting unit to group workers for the purpose of tax and social insurance reporting. A tax reporting unit is the Oracle Fusion Human Capital Management (HCM) version of the legal reporting unit in Oracle Fusion Applications.

To create a tax reporting unit, you use the Oracle Fusion Legal Entity Configurator to define a legal entity as a payroll statutory unit. When you identify a legal entity as a payroll statutory unit, the application transfers the legal reporting units that are associated with that legal entity to Oracle Fusion HCM as tax reporting units. You can then access the tax reporting unit using the Manage Legal Reporting Unit HCM Information task.

If you identify a legal entity as a legal employer, and not as a payroll statutory unit, you must enter a parent payroll statutory unit. The resulting legal reporting units are transferred to Oracle Fusion HCM as tax reporting units, but as

children of the parent payroll statutory unit that you entered, and not the legal entity that you identified as a legal employer.

How Payroll Statutory Units, Legal Employers, and Tax Reporting Units Work Together

When you set up legal entities, you can identify them as legal employers and payroll statutory units (PSUs).

Depending on how you structure your organization, you may have only one legal entity that's also a PSU and a legal employer, or you may have multiple legal entities, PSUs, and legal employers.

Legal Employers and Payroll Statutory Units

PSUs enable you to group legal employers so that you can perform statutory calculations at a higher level, such as stopping limit taxes like Canada Pension Plan and Employment Insurance. In some cases, a legal employer is also a PSU. However, your organization may have several legal employers in one PSU. A legal employer can belong to only one PSU.

How you define a legal entity depends on how you plan to use it.

If your implementation includes	Then you need to
Oracle Fusion Human Capital Management	Define the legal entity as a legal employer. HCM implementations require legal employers.
Oracle Fusion Global Payroll	Define the legal entity as a PSU.
Multiple legal employers	For tax reporting purposes, you can associate your legal employers with a single PSU. If you don't want the legal employers to report together, you must segregate them by PSU.

Payroll Statutory Units and Legal Reporting Units

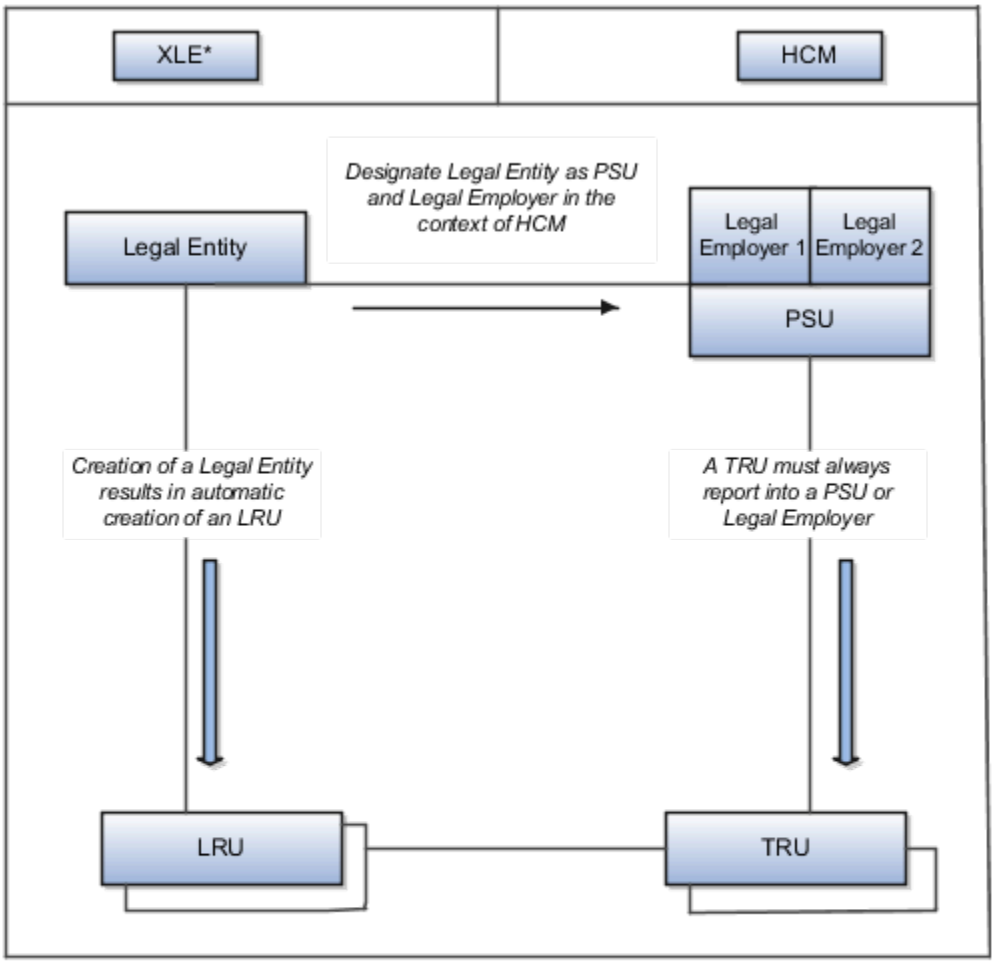
PSUs and legal reporting units (LRUs) have a parent-child relationship, with the PSU being the parent. An LRU is the lowest level component of a legal structure that requires registrations.

Tax Reporting Units and Legal Employers

TRUs are indirectly associated with a legal employer through the PSU. A single legal employer can use one or more TRUs and one or more legal employers can use a single TRU. For example, assume that a single TRU is linked to a PSU. Assume also that two legal employers are associated with this PSU. In this example, both legal employers are associated with the single TRU.

Use the Manage Legal Reporting Unit HCM Information task to designate an existing legal reporting unit (LRU) as a TRU. If you create a new LRU that belongs to a legal employer (that's not also a PSU), select a PSU and then, when you run the Manage Legal Reporting Unit HCM Information task, you designate it as a TRU and select the legal employer.

This figure shows the relation between a Legal Entity, PSU, Legal Employer, LRU, and TRU.



* Oracle Legal Entity Configurator

How Transmitters and Tax Reporting Units Work Together

To facilitate electronic submission of year-end reports, the government assigns a transmitter number to an employer. The Canada Revenue Agency issues an employer account number and Revenu Québec issues a Quebec identification number.

Your company can designate one employer account number or Quebec identification number as the transmitter. The tax reporting units (TRUs) file their slips electronically through this transmitter. Use the Manage Legal Reporting Unit HCM Information task to define transmitter details.

Transmitters

A transmitter can file slips for itself or on behalf of other TRUs. Capture the transmitter information at the TRU-level. If you designate a TRU as a transmitter, the application uses the information you enter for the TRU, for year-end reporting to the government. Multiple TRUs with different account numbers can use the same transmitter to submit year-end information to the government.

Examples of HCM Organization Models

This topic explains the different models you can use for setting up organizations for Canada.

The setup procedure for each model is the same, but the jurisdictions and registrations differ depending on the payroll statutory unit (PSU) and the tax reporting units (TRUs) of each model.

The organization model for Canada has these characteristics:

- The legal entity is usually the legal employer and PSU.
- TRUs are defined in relation to a legal employer.
- It is common for employers to have multiple TRUs in a single PSU as in the case of employers with multiple employment insurance rates.

These examples show how to partition payroll data within a legislative data group.

Single PSU with Single Legal Employer and Single TRU

This example illustrates the basic model for setting up a single location organization. InFusion Canada is a legal entity registered with the Canada Revenue Agency.

Setup for this model involves these basic steps:

1. Create a Canadian Enterprise in the Enterprise Structures Configurator (ESC). The Enterprise classification represents the top most structure of the organization.
2. Use the Functional Setup Manager (FSM), to create a Canadian LDG.
3. In the Setup and Maintenance area, go to the following:
    - Offering: Workforce Deployment
    - Functional Area: Legal Structures
    - Task: Define Enterprise Structures for Human Capital Management.

    Expand the task to display a set of related tasks. Use the Manage Legal Entities task to create a legal entity. You can define it as a legal employer and a PSU, or as a legal employer with another PSU from the list of values.

    When you define the legal entity, enter the registration information required by Canada Revenue Agency for employers to remit and report Canada Pension Plan, Employment Insurance, and Federal Tax deductions.

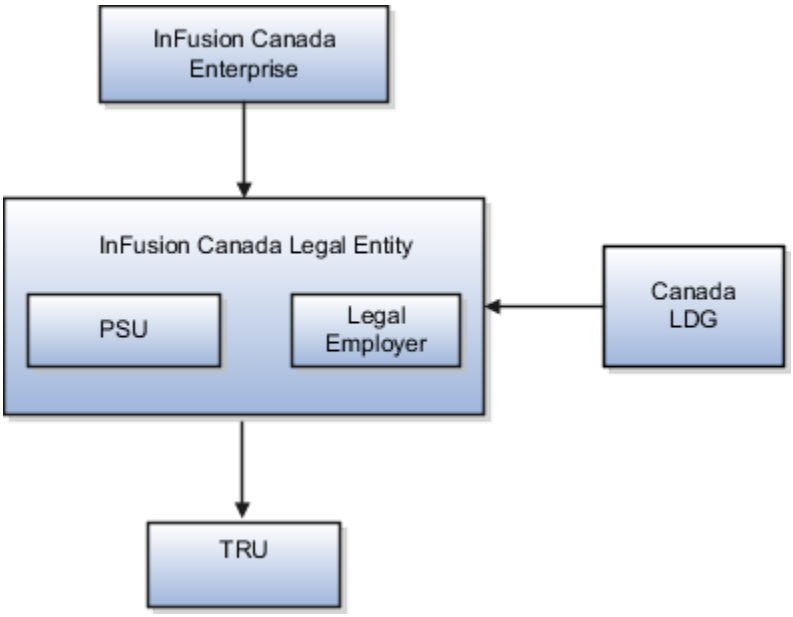
    A legal reporting unit (LRU) is created automatically when a legal entity is created. In HCM payroll, it's referred as a TRU. The registration information of the Canada Federal Tax jurisdiction defaults to the TRU.
4. If you operate in the province of Quebec, set up the registration for the Quebec Provincial Tax jurisdiction. This is where you set the Quebec Identification Number (QIN) as the Legal Reporting Unit Registration Number. Set up this registration at the PSU or TRU, depending on your requirements. When it's set up at the PSU level, the information defaults to each TRU under that PSU. If a different registration information is required for one

of the TRUs, use the Manage Legal Reporting Unit Registrations task to enter the appropriate information for the Quebec Provincial Tax jurisdiction for that TRU. This information overrides the registration information defaulted from the PSU.

Enter the QIN and optionally, the Quebec Enterprise Number. The QIN is the payroll registration number under which an employer remits and reports the Quebec Pension Plan, Quebec Parental Insurance Plan, and Provincial Tax deductions.

5. Enter the LRU information. Set the Legal Reporting Unit Classification to Tax Reporting Unit on the Manage Legal Reporting Unit HCM Information page.

This figure shows a simple organization structure for Canada.

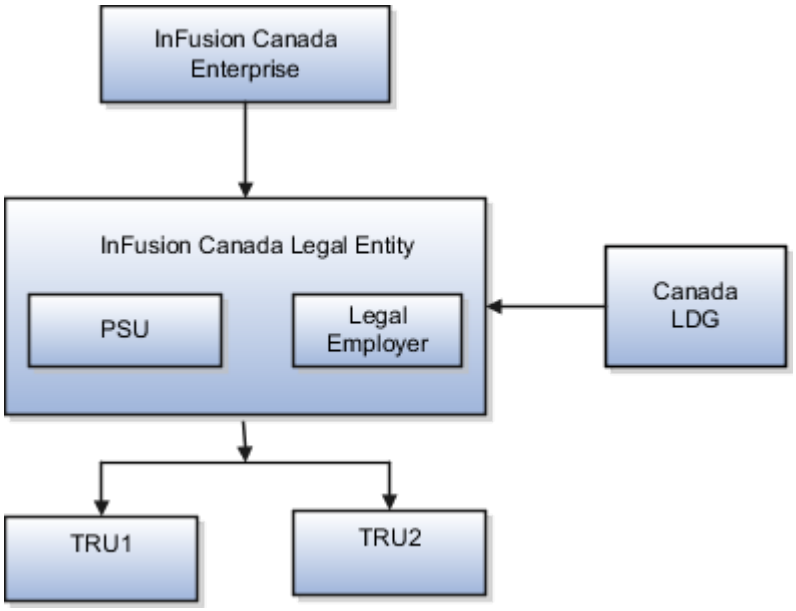


Single PSU with Single Legal Employer and Multiple TRUs

In this example, InFusion Canada has locations in Ontario and Quebec and they have a wage loss replacement plan for some of their employees. The employer has two employment insurance rates. The setup procedure for this model is the same as above, except that you create an additional TRU under the PSU.

Use the Manage Legal Reporting Unit task to create a new LRU tied to the main legal entity. Enter the necessary details for the new LRU.

This figure shows an organization structure for Canada having a single PSU with a single Legal Employer and multiple TRUs.



Single PSU with Multiple Legal Employers and Multiple TRUs

You can have two different types of setup for this model:

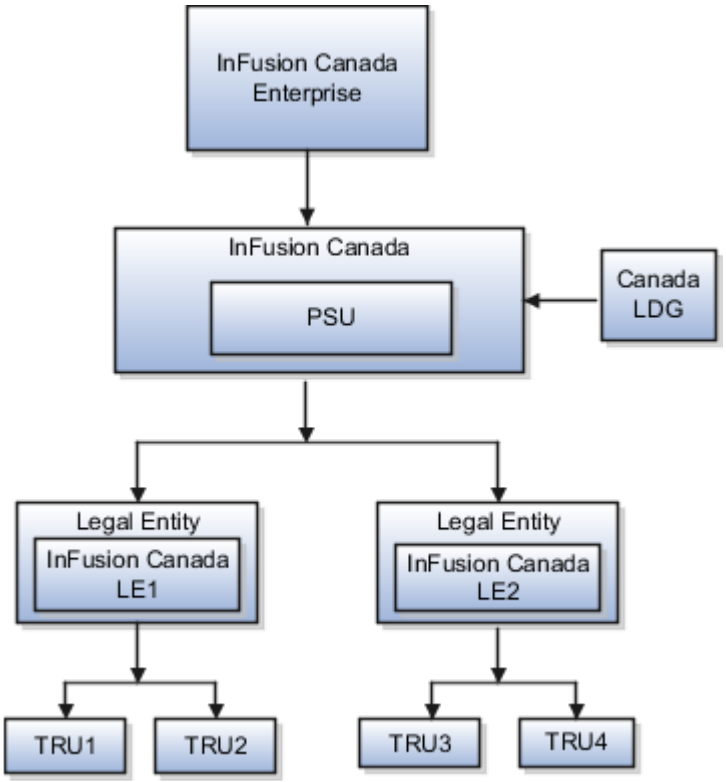
- Single PSU with multiple legal employers and multiple TRUs where each legal employer is associated with a single TRU.
- Single PSU with multiple legal employers and multiple TRUs, where each legal employer is associated with multiple TRUs.

In this example, InFusion Canada has two legal employers, InFusion Canada LE1 and InFusion Canada LE2, both belonging to the same PSU.

The setup procedure for this model is the same, except that you create two separate legal entities and designate them as legal employers. The first legal entity, InFusion Canada LE1, is designated as a PSU, For InFusion Canada LE2, you must select the PSU as InFusion Canada LE1. Every legal employer under the same PSU must be configured similarly.

Capture the jurisdictions and registrations as required.

This figure shows an organization structure for Canada having a single PSU with multiple legal employers, where each employer is associated with multiple TRUs.



Workforce Structures

Overview of Workforce Structures

You must define workforce structures after you complete the organization structure setup. Workforce structures:

- Define additional partitioning of the workers within the organization, including divisions, and departments.
- Assign roles to workers within the organization, including grades, jobs, and positions.
- Set up actions and reasons that apply to the work relationship cycle of workers.

Your implementation team is responsible for defining all the workforce structures that apply to the enterprise for which the setup is being done. For Canada you must set up:

- Locations
- Departments
- Jobs

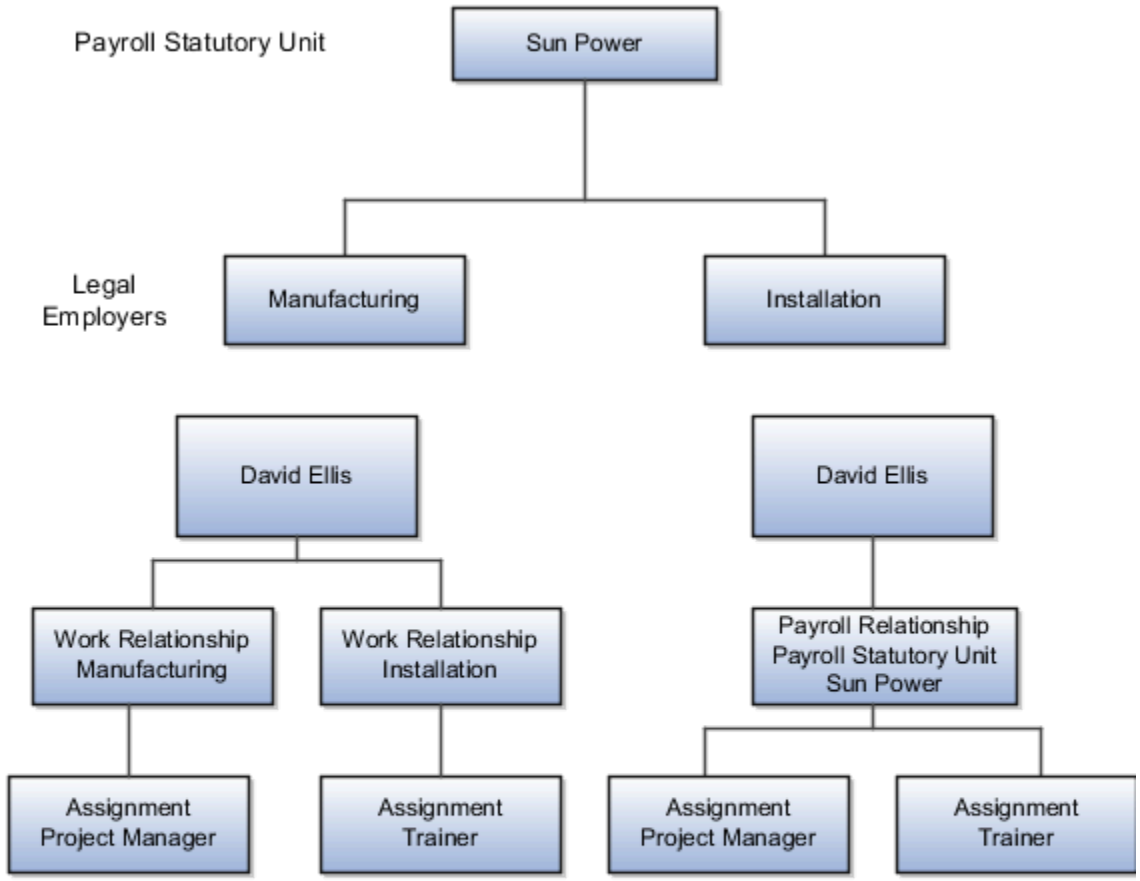
Payroll Employment Model

Overview of Payroll Employment Model

In the payroll employment model, each person has a payroll relationship to a payroll statutory unit (PSU), and one or more payroll assignments and other employment structures.

Comparing the HR and Payroll Employment Models

This diagram shows the human resource (HR) employment model and the payroll employment model contrast where two legal employers, Manufacturing and Installation belong to one PSU, Sun Power. As you can see, David Ellis has two assignments where the HR model creates two work relationships and the payroll employment model creates one payroll relationship.



Related Topics

- Employment Level Options for Payroll Elements
- How do I diagnose payroll employment model setup issues?
- Payroll Employment Hierarchy Profile Options

How do I diagnose payroll employment model setup issues?

After creating enterprise structures, run the Payroll Employment Model Setup Validation test. This test checks whether legal employers are associated with a legislative data group.

Select Run Diagnostic Tests from the Setting and Actionsmenu in the global area. You must have access to the Diagnostic Dashboard to run this test.

Payroll Relationships

Overview of Payroll Relationships

Oracle HCM Cloud automatically creates a payroll relationship when you hire an employee or create other types of person records, such as candidates and pending workers.

A payroll relationship is an association between a person and a payroll statutory unit (PSU). A PSU is the legal entity responsible for employee payment.

A payroll relationship is the highest level of the payroll employment model. If a person has multiple employments that belong to the same PSU, the application groups the assignments within a payroll relationship for statutory reporting purposes. The assignments grouped within a payroll relationship always belongs to the same PSU and person type such as employee. Payroll relationships enable you to enter payroll related information for a person in Oracle HCM Cloud, such as compensation, time cards, payment methods, and salary offers to candidates.

Use the **Payroll Relationships** task to view details, such as the payroll relationship number and the associated PSU. You can also perform actions for the assignments associated to the payroll relationship, such as adding a payroll or setting the time card required status.

For employees with multiple assignments, payroll relationships support tax and social insurance calculations that you perform on earnings from all assignments grouped within the relationship. The results of payroll processes are accordingly held against the payroll relationship of a person. Within a payroll relationship, payroll processes can aggregate balances for multiple assignment records. Balances don't span payroll relationships.

Create Payroll Relationship Records

You establish a mapping between system person types and the payroll relationship types. Certain processes, such as the rehire process, use this mapping to automatically create a payroll relationship record. You must use the payroll relationship types predefined in the application. You can't create your own payroll relationship types.

This table shows the predefined payroll relationship types.

Payroll Relationship Type	Description
Standard	Person types mapped to this payroll relationship type are included in payroll runs.
Element Entry Only	Person types mapped to this payroll relationship type have only element entries created for them and are excluded from payroll processing.

Relationship mapping rules, which map system person types to payroll relationship types, can vary by country or territory. This table shows the mapping between system person types and payroll relationship types, that are applicable for Canada.

System Person Type	Payroll Relationship Type
Contingent Worker	Element Entry Only
Employee	Standard
Nonworker Paid	Standard
Nonworker Unpaid	Element Entry Only
Retiree	Standard

For Canada, Contingent Worker type and Nonworker Unpaid type are excluded from payroll processing.

The mapping rules are predefined for legislations provided by Oracle. You can't create your own payroll relationship types and you must use the values that are predefined in the application.

A payroll relationship can't end while there are active employment assignments. When all employment assignments are ended for a payroll relationship, it could either remain active or become end dated. It depends on the legislation and the payroll relationship rules applicable for the legislation. For Canada, relationships that remain active, enable future rehire within the same payroll relationship and PSU.

Use the **Add Assignment** task to create an assignment which belongs to the same PSU. The application adds new assignment to existing payroll relationship of the employee because Canada has the Lifetime payroll relationship rule.

Related Topics

Payroll Relationship Switcher

Payroll relationship switcher gives you the ability to switch between payroll relationships when you have multiple payroll relationships defined for the employee.

For example, an employee that's a contingent worker and a pending worker withelement entries only, the employee has personal payment methods: one in context of the contingent worker payrollrelationship and one in context of the pending worker payroll relationship. When this occurs, a drop down is available toswitch views from one payroll relationship to another.

You can define the values in the payroll relationship switcher using profile options to choose to display the Payroll Relationship Type, Payroll Relationship Number and Payroll Statutory Unit. If these profiles aren't defined, Payroll Relationship Type is shown by default. Use Manage Administrator Profile Options in Setup and Maintenance to define profiles associated to the payroll relationship switcher. If defining all profile options, define them all at the same level, such as Site level.

Related Topics

- Overview of Implementing Payroll Relationship
- Overview of Administering Payroll Relationships

Payroll Relationship Rules

Canada supports the Lifetime Rule for payroll relationships. When you create a work assignment, the application looks for an active payroll relationship of the same payroll relationship type and payroll statutory unit.

If a payroll relationship exists, the new work assignment is attached to it; otherwise, a new payroll relationship is created.

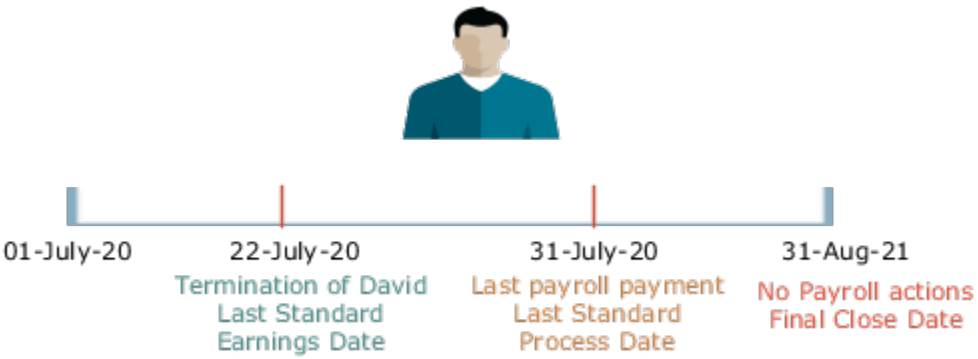
When you terminate a work assignment, the associated payroll relationship remains active even though it doesn't have a work assignment associated with it. In the case of a rehire, the new work assignment is attached to an existing active payroll relationship and the existing balances are updated.

Payroll Relationship and Termination Dates

When you terminate an employee or end an assignment record, the **Payroll Relationship** page displays the corresponding dates. These dates control how earnings and deductions are processed for the terminated employment record.

For example, David Ellis resigned from his teaching post at Royal High School, and his line manager enters a termination date of 22-July-2020. The application will process David's last payroll payment for 31-July-2020. You can view these termination dates on the payroll relationship page for David. These dates show up at all the employment levels of David, such as assignment, associated payroll, and payroll relationship.

This image shows David's Ellis payroll processing dates and the behavior of the application for handling the payroll records:



Name	Date	Application Behavior
Last Standard Earnings Date	22-JUL-2020	Sets the Last Standard Earnings Date as David's termination date.
Last Standard Process Date	31-JULY-2020	Sets the Last Standard Process Date as the process date of the payroll period in which David's termination occurred.
Final Close Date	31-AUG-2021	Enter a Final Close Date on David's assignment. This date will carry over to David's payroll and payroll relationship records.

Name	Date	Application Behavior
		The Final Close Date ends the payroll records. You can't perform any payroll actions for David after this date, such as calculate payroll, make retro payments, or balance adjustments. The date you provide would depend on your business requirements, such as when your company makes commission payments to terminated employees. However, the best approach is to enter a Final Close date that falls after tax year-end. You can perform any balance adjustments as part of your year-end processing. **Note:** If you enter a Final Close date for a person who has other active assignments, the payroll relationship still remains active.
End Date	31-AUG-2021	This date is defaulted when you enter the Final Close Date.

Related Topics

- How Terminations Affect Payroll Processing
- Payroll Relationship and Termination Dates

Why do I define payroll relationship rules for an international HR legislation?

Payroll relationships capture all types of payroll information for a person in Oracle HCM Cloud, such as salary, compensation, personal payment methods, and time cards.

When do I change the payroll relationship rules for an international legislation?

Configure payroll relationship mapping rules for all person types when you implement an international legislation.

The Configure Legislation for Human Resources task would create mapping rules for person types such as employee. You can use this task to create any person type mapping rules that aren't predefined by Oracle.

If employment records already exist, the best approach is to not change the payroll relationship rules. This approach ensures that new and existing employment records have the same rules. However, if you want to update the payroll relationship rules after employment records exist, your updates will affect only the newly created employment records for the person type.

Related Topics

- Configure Legislations

Why doesn't the payroll region display for Candidate person type while you're configuring international legislation?

Verify if you have created payroll relationship mapping rules for all person types including Candidate in the international legislation.

Payroll relationship rules ensure that the application has created payroll relationship records for the person type. You can view the payroll region for workers who have a payroll relationship record.

Integration With Other Applications

Time and Labor

Overview of Time, Absence, and Pension Data for Payroll

You can automate the regular import of time card entries, absence entries, and pension enrollments.

Load Data Options

The application that you use to record time, absences, and pensions determines options for importing data to payroll. This table lists the applications for transferring data to payroll.

Source Application	Data Load Options
Time card	• For Oracle Fusion Time and Labor, submit the Load Time Card Batches process. • For third-party time applications, you can load time cards using HCM Data Loader.
Absences	• For Absence Management, use the **Absence Records** task to record an absence and transfer it directly to the person's absence calculation card. When you set up the plan in Absence Management, select the **Transfer absence payment information for payroll processing** check box. Find this setting in the **Payroll Integration** section of the **Entries and Balances** tab on the **Create Absence Plan** page. • For third-party absence applications, you can load absence records using HCM Data Loader.
Pensions	You can load benefits and pension calculation cards using HCM Data Loader. The availability of this process depends on the implementation for your country or territory.

Related Topics

- Example of Loading Payroll Time Cards
- Example for Loading Absence Records
- Guidelines for Loading Calculation Cards

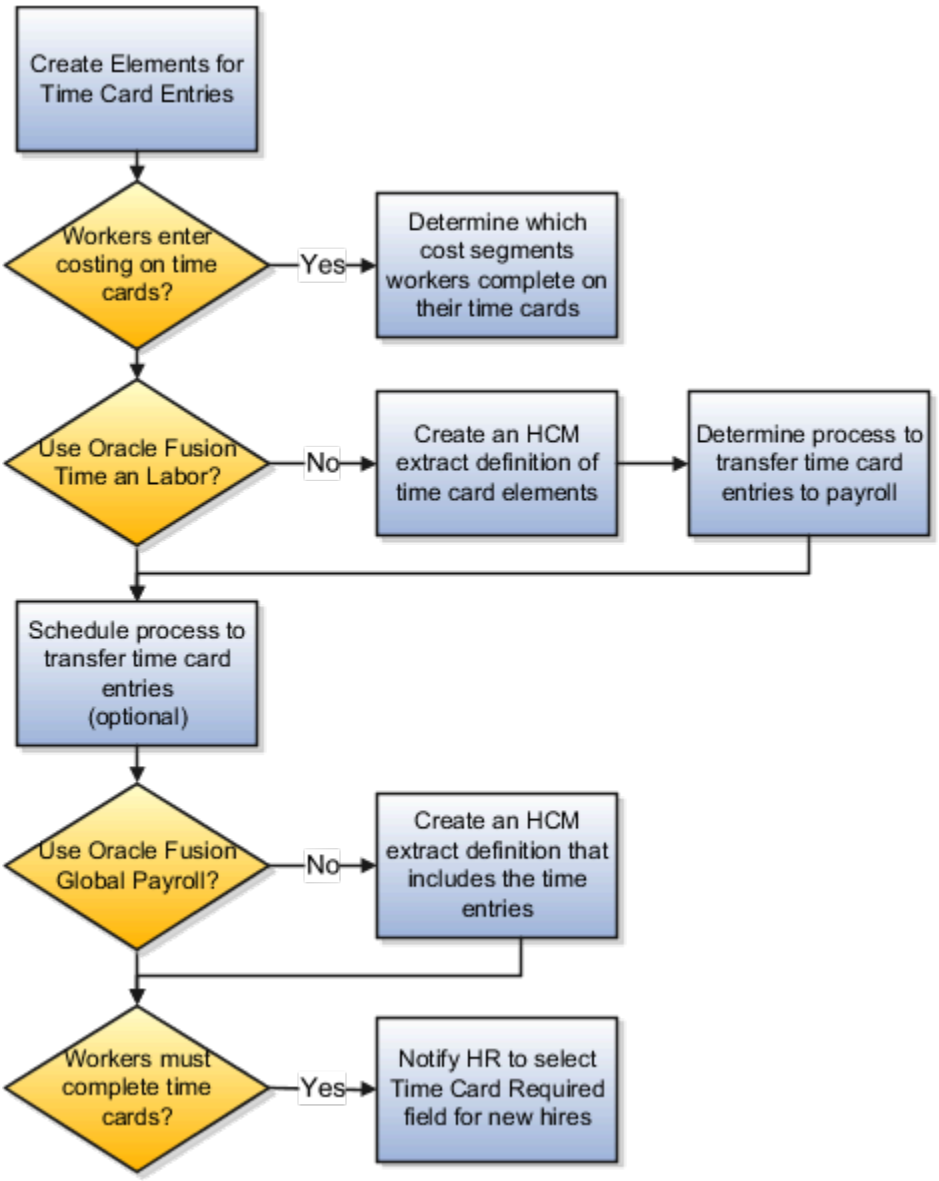
Prerequisite Payroll Setup for Importing Time Entries

Before you can import time card entries to process in a payroll run or extract for a third-party payroll provider, complete payroll setup tasks.

These tasks vary depending on your configuration, specifically whether your enterprise:

- Uses Oracle Fusion Time and Labor or a third-party time provider
- Uses Oracle Fusion Global Payroll or a third-party payroll provider
- Requires workers to submit a time card if their pay is calculated using time entries

This figure and table lists the tasks that depend on each of these configuration choices.



All configurations create elements for use with time cards. This table describes the remaining setup tasks and processes that vary based on your configuration.

Task	Applies To
Create elements for time card entries	All configurations
Create rate definitions and associate with the elements if the rate is different from the default salary rate	Elements whose rate isn't the default salary rate
Determine which value definitions would override the criteria for the rate definition	Optional for all configurations

Task	Applies To
Determine which cost segments workers complete on their time cards Record costing overrides at the element entry level by having workers specify the account to charge on their time cards. **Note:** If you enable costing overrides, ensure that you're using the segments that are enabled for element entry level costing in the Cost Allocation key flexfield.	Optional for all configurations
Create an HCM extract definition of time card elements	Third-party time provider
Determine process to transfer time card entries to payroll: • Use the Load Time Card Batches process to upload time entries to calculation cards. • Use HCM Data Loader to load element entries.	Third-party time provider
Schedule process to transfer time card entries As an example, schedule the Load Time Card Batches process: • After normal working hours to distribute the load on server • To run more frequently during time periods when most employees submit their time cards	Optional for all configurations
Create an HCM extract definition that includes time entries	Third-party payroll provider
Notify HR to select Time Card Required field at the Terms or Assignment level when a new hire's pay calculations depend on time cards.	Optional for all configurations

Related Topics

- Time Card Required Option
- Extract Components
- Create Time Card Elements for Time Entries
- Enable Overrides for Time Elements Using Values Defined by Criteria

Absence Management

Integrate Absence Management with Global Payroll

Use Oracle HCM Cloud Absence Management to set up and enroll persons in absence plans. Transfer absence information to Cloud Payroll for processing and paying absences.

Select these different quick actions under the **My Client Groups** tab to integrate Absence Management with Cloud Payroll.

Steps	Tasks
Create an absence plan, such as an Accrual, Qualification, or No Entitlement plan.	Absence Plans
Create absence types based on predefined absence patterns and associate them to the absence plans.	Absence Types
Create rate definitions to use in calculating accrual and liability balances.	Rate Definitions
Create absence elements.	Elements
Complete these payroll integration information: • Select the Transfer absence payment information for payroll processing check box. • Select the element for the plan in the Element field. The element links the absence plan to the calculation component shown on the person's calculation card. • Optionally, specify rates. These rates override rates specified elsewhere.	Absence Plans **Note:** Find these settings in the Payroll Integration section of the Entries and Balances tab on the Create Absence Plan page.
Enroll persons in the absence plan:	Absence Records

Steps	Tasks
• Add the plan and provide the entitlement date information. • For accrual plans, select the Run Accruals for Selected Plan task action.	

After the information is set up, use the **Absence Records** task to record an absence. When the absence is approved, the daily and summary breakdown information is automatically transferred to payroll.

You can then process the payroll that includes these absence entries and view the resulting absence balances on the person's Statement of Earnings. After you process and archive payments, you can view the resulting absence balances on the person's payslip.

Related Topics

- Rates Used to Calculate Absences in Payroll
- How Many Salary Bases to Create
- Define Payroll Elements to Process Absences
- Import Absence Entries to Payroll

Earnings and Deductions

Define Earning and Deduction Definitions

The Define Earning and Deduction Definitions task list in the Setup and Maintenance work area contains the tasks you require to set up elements and payroll components. Your implementation may include a few predefined elements, usually for legislative tax deductions.

Use the Elements task to create additional elements and the associated objects required to support their processing. The objects vary depending on the element classification and category.

Manage Element Classifications

Elements are grouped into primary classifications that control their sequence of processing and the balances they feed. Secondary classifications are subsets of the primary classifications, which you may use to manage wage basis rules for deductions and taxes.

The primary classifications and some secondary classifications are predefined. You can't remove or change predefined classifications.

What you can do:

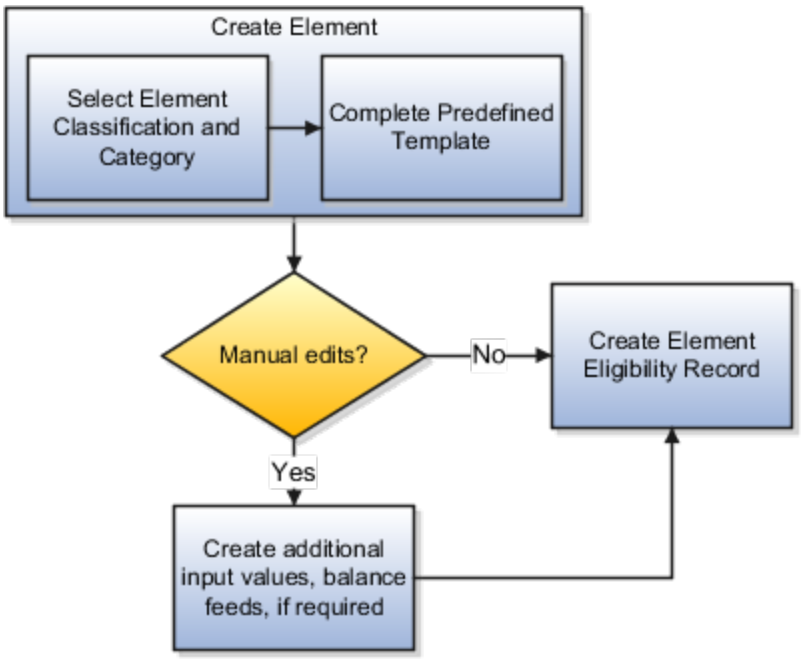
- Create additional balances that the primary classifications feed.
- Create secondary classifications.
- Specify costing setup options and frequency rules for element classifications. The default frequency rule is always each period.

Manage Elements

When you create an element, your selection of the element classification and category determines the questions on a predefined template. Submitting the template generates an element, which you can edit, as required.

You must create at least one element eligibility record for all predefined and newly created elements.

This figure shows the tasks involved.



Note: Before you create elements for payroll processing, use the Features by Country or Territory task to set the country extension to Payroll. This setting ensures that you use the appropriate element templates.

Creating certain elements also creates component groups, calculation value definitions, and other calculation information. For example, creating involuntary deductions and pension deductions creates these additional objects. Use the relevant tasks in the Define Earning and Deduction Definitions task list to review the objects generated for each element.

Payroll components are associated with a set of rates and rules used for calculation or reporting. These components conform to manage calculation value definitions

What you can do:

- Review the tables that hold the rates and other values used to calculate deduction and exemption amounts.
- Modify some value definitions.
- Create new calculation ranges, if required

Manage the calculation information for elements that generate payroll components, such as involuntary deductions and statutory deductions.

What you can do:

- Review the calculation information such as the wage basis rules and calculation factors

- Create new calculation factors, if required.

After setup, you can add calculation components to personal calculation cards by loading data, such as time cards, or using the Calculation Cards task in the Payroll area. In Canada, hiring a worker creates a statutory deduction card automatically.

Manage Component Groups

Component groups are predefined categories of calculation components managed by component group rules.

What you can do:

- View rules for component groups.
- Modify the rules, such as wage basis rules, for some deductions

After setup, you can add calculation components to personal calculation cards by:

- Loading data, such as time cards.
- Using the Calculation Cards task to add components. In Canada, hiring a worker creates a statutory deduction card automatically.

Add Eligibility Rules For Predefined Elements

The task list includes this task as a reminder. Use the Elements task to define at least one element eligibility record for every predefined and newly created element.

Note: You must create an eligibility record for the statutory deduction elements before you start hiring workers.

Element eligibility determines who can receive entries of the element. Do the following:

1. Create a name for the element eligibility record. Use a naming convention similar to the element's to easily identify the record, for example, when you set up costing for the element's eligibility record.
2. Restrict who can receive entries of the element by specifying eligibility criteria. For elements applicable to all workers, create eligibility without specifying any criteria.

Manage Rate Definitions

Define any rates that are based on calculated payroll balances, such as an employee's average salary during the last three months. You can use rate definitions in absence plans and formulas.

You can define rates to be:

- Monetary, such as a pay rate, or non-monetary, such as an absence accrual rate defined in days or hours
- Based on a combination of elements, or a single element

How Elements Hold Payroll Information for Multiple Features

Elements are building blocks that help determine the payment of base pay, benefits, absences, and other earnings and deductions. You associate your elements with salary bases, absence plans, and the benefits object hierarchy to determine how you will use the elements.

Here are some examples of how you can use elements.

Element Usage	Examples of Elements
Base Pay Management	Annual Salary Basis Monthly Salary Basis Hourly Salary Basis
Absence Management	Absence Payment Sick Pay Vacation Pay
Benefits	Awards and Prizes Group Term Life Insurance Registered Retirement Savings Plan
Time and Labour	Regular Hourly Earnings Overtime Earnings Shift Earnings
Payroll	Regular Standard Earnings Bonus Earnings Tax Deduction Involuntary Deduction

For further information, see the following sections.

Base Pay Management

You must set up salary basis and payrolls before you hire employees. Use the Manage Salary Basis task in the Compensation work area.

Once you establish the salary basis, to manage a worker's base pay:

1. Attach an earnings element to each salary basis.
2. Assign a salary basis (hourly, monthly or annual) for each worker.

When a manager or compensation specialist enters a base pay amount for a worker, the payroll process writes the amount to an element entry using the element input value you associated with the worker's salary basis. Payroll processing uses the element entry to generate payment amounts.

Absence Management

You can manage worker absences and corresponding entitlements. You can:

- Create absence types based on predefined absence patterns, and associate them with absence plans.
- Associate an absence element with an absence plan to transfer the following information for payroll processing:
    - Payments for absent time, for example, during maternity or long term sickness
    - Accrual disbursement at the end of absence plan year
    - Accrual disbursement when plan enrollment ends
    - Absence liability amounts

You can process the payments in the payroll application or use HCM extracts to transfer the information to a third-party payroll application for processing.

For more information on Absences for Canada, refer to Configuring Oracle Fusion Absence Management for Canada (2314365.1) on My Oracle Support.

Benefits

Attach elements at various levels in the benefits object hierarchy to create deductions and earnings that you can process in a payroll run to calculate net pay.

Time and Labour

Create elements for use in time cards, and calculate payroll or gross earnings based on the time card entries transferred to payroll. For example, for Oracle Fusion Time and Labour, you can run processes which create dependent payroll attributes and time card fields for element input values. You can automate the routine import of time card entries to payroll using predefined flows.

Payroll

For payroll processing, you can define earnings and deduction elements, such as bonus and overtime earnings and involuntary deductions. These elements incorporate all the components required for payroll processing, including formulas, balances, and formula result rules.

Define Elements, Balances, and Formulas

The Define Elements, Balances, and Formulas task list contains the tasks required for creating payroll elements for compensation, absences, time and labor, and HR management.

You can also use this task list if you're recording earnings, deductions, and other payroll data for reporting, compensation and benefits calculations, or transferring data to a third-party payroll provider.

> **Note:** If you're using Oracle Global Payroll, use the Define Payroll task list instead. The Define Payroll task list includes other tasks required to set up payroll processing.

Required Tasks

Your business requirements and product usage decide which required tasks you need to complete. The required tasks include:

- Elements
- Payroll Definitions, which is usually required to support elements
- Consolidation Groups, which is required for creating payroll definitions

If you use predefined Payroll Interface extracts to transfer data to a third-party payroll provider, you might need to create element subclassifications, balances, organization payment methods, and object groups. See the Global Payroll Interface documentation for more information.

Before You Begin

Before you start the Define Elements, Balances, and Formulas task list, complete the tasks these offerings contain.

Task	Use To	Why It's Important
Manage Legal Entities	Create payroll statutory units.	Ensures that hiring employees automatically creates payroll relationship records.
Manage Legal Entity HCM Information	Associate a legislative data group with each payroll statutory unit.	Ensures that hiring employees automatically creates payroll relationship records.
Manage Features by Country or Territory	Select Payroll Interface as the extension for any countries or territories where you extract HR data to send to a third-party payroll provider.	Ensures that you use the appropriate element templates to create earnings.

Configure Legislations for Human Resources

Use this task to create and edit legislative data for a country or territory that doesn't have a predefined country extension. It guides you through configuring some payroll objects and values required for creating elements, including:

- Tax year start date
- Period of service on rehire rules
- Default currency
- Element classifications
- Component groups
- Payment types

Note: Complete this task before the other tasks in this task list.

Elements

Use elements to communicate payment and distribution information to payroll applications from the source applications listed in the following table.

Source Application	Element Purpose
Compensation	• Earnings and deduction elements, such as bonuses, overtime earnings, and voluntary deductions. • Information elements to load user-defined data to use during a workforce compensation cycle.
Benefits	• Deduction elements to record activity rate calculation results, such as: o Employee contributions and employer distributions for medical options o Flex credits for flex benefits • Earnings elements to disburse unused credits as cash.
Time and Labor	Time card details such as salary, overtime hours, and shift unit payments.
Absence Management	Absence details such as number of hours, days absent, or accrual absence balance details.

Payroll Definitions

The payroll definition supplies the payroll period frequency and dates, which some applications use for payroll calculations. A payroll is assigned to the assignment record of an employee, it indicates the payroll frequency for the assignment such as weekly. This table shows which applications require payroll definitions.

Application	Payroll Definition Required?	Usage Conditions
Global Payroll Interface	Yes, optional	Required if you run the Calculate Gross Earnings process
Compensation	Yes, optional	Required if you capture salary with a frequency of payroll period
Benefits	Optional	Required to use the payroll period frequency to calculate communicated rates or values passed to payroll.
Time and Labor	Optional	N/A
Absence Management	Optional	N/A

Consolidation Groups

You must have at least one consolidation group for each legislative data group where you create elements. Payroll definitions require a consolidation group.

Other Payroll-Related Setup Tasks

Your implementation might require other tasks from My Client Groups.

Task	Requirements
Organization Payment Methods	To record personal payment methods for your employees, you need to create organization payment methods and associate them with your payroll definitions. Organization payment methods define the combination of payment type and currency to use for payments to employees or external parties.

Task	Requirements
Element Classifications	Primary element classifications are predefined. If you run the Calculate Gross Earnings process (provided with Global Payroll Interface), you might create subclassifications to feed user-defined balances.
Fast Formulas	The Elements task provides predefined payroll formulas for payroll interface users. You can also write formulas for several uses, including: • Validating user entries into element input values • Configuring compensation, benefit, and accrual plan rules • Calculating periodic values for gross earnings and defining element skip rules for the Calculate Gross Earnings process (provided with Global Payroll Interface)
Balance Definitions	If you're using Global Payroll Interface, creating earnings elements creates balances automatically. You can edit these generated balance definitions. If you're using the Calculate Gross Earnings process, you might want to create other balances for extracts or reporting.
Object Groups	You can create object groups to specify subsets of elements or payroll relationships to include in a report or process, such as the Calculate Gross Earnings process.

Related Topics

- Payroll Definitions
- Payroll Balance Definitions
- Overview of Using Formulas
- How Payroll Elements Hold Information for Multiple Features

Object Groups

Overview of Object Groups

Object groups are sets of elements or persons. Use object groups to define subsets of objects for processing or reporting.

Use the **Object Group** task to define these object group types.

- Element
- Payroll Relationship
- Work Relationship
- Process Information Group

Note: If you're loading an object group with a large number of inclusions or exclusions, you're recommended to use the individual Object Group Amend file to achieve that. This supports the data to be multithreaded and minimizes the processing time.

Element Groups

Use Element groups to limit the elements processed for payroll, reporting, cost distribution, and for global transfer purposes.

This table explains the usages for an element group.

Element Group	What It Does
Run group	Specifies the elements to be processed in a payroll run.
Distribution group	Defines the elements on which the cost results are distributed
Configuration group	Restricts the elements that can be updated on the Element Entries page.

All element groups are static. You can select element classification to include in or exclude from the group. You can also select specific elements to include in or exclude from the group.

Payroll Relationship Groups

Use Payroll relationship groups to limit the persons processed for payroll, data entry, and reporting.

Defining a payroll relationship group is a two-step process.

1. Specify a payroll definition. Every group is limited to the payroll relationships assigned to a single payroll that you select.
2. Optionally, define the group to be either static or dynamic.
    a. To define a static group, select the payroll relationships and assignments to include in or exclude from the group.
    b. To define a dynamic group, use a fast formula of type Payroll Relationship Group. The formula contains the criteria to establish the payroll relationships and assignments included in the group. Then, you can individually select additional payroll relationships and assignments to include in or exclude from the group.

Work Relationship Groups

You can use Work relationship groups to limit the persons processed for Human resources and reporting. For example, you can use work relationship groups in your user-defined extracts. You can define the group to be either static or dynamic.

- In a static group, select the work relationships and assignments to include in or exclude from the group.
- In a dynamic group,
    - Use a fast formula of type Work Relationship Group. This formula contains the criteria to establish the work relationships and assignments included in the group.
    - Individually select additional work relationships and assignments to include in or exclude from the group.

Process Information Groups

You use a bank reprocessing group to load the bank corrections file returned by your bank. Each payroll period, you transfer payroll payments directly into the bank accounts designated by the employee. If any of the bank account records are invalid, your bank returns a file containing these details.

For example, an employee can have an incorrect account number which results in the payment being rejected by the bank. Alternatively, the payment could have been transferred to an invalid branch number due to the closure of a bank or merger of a bank branch with another.

Related Topics

- Overview of Loading Object Groups
- Example of Loading Object Groups
- Set Up Distributed Costing for an Element

Application Tools

Security Profiles

HCM Security Profiles

Security profiles identify instances of Human Capital Management (HCM) objects. For example, a person security profile identifies one or more Person objects, and a payroll security profile identifies one or more Payroll objects.

This topic describes how to create and use security profiles and identifies the HCM objects that need them. To manage security profiles, you must have the **IT Security Manager** job role.

Use of HCM Security Profiles

You include security profiles in HCM data roles to identify the data that users with those roles can access. You can also assign security profiles directly to abstract roles, such as employee. However, you're unlikely to assign them directly to job roles, because users with same job role usually access different sets of data. You're recommended not to assign security profiles directly to job roles.

HCM Object Types

You can create security profiles for the following HCM object types:

- Country
- Document Type
- Job Requisition
- Legislative Data Group (LDG)
- Organization
- Payroll
- Payroll Flow
- Person

    - Managed Person
    - Public Person
- Position
- Talent Pool
- Transaction

Two uses exist for the person security profile because many users access two distinct sets of people.

- The Managed Person security profile identifies people you can perform actions against.
- The Public Person security profile identifies people you can search for in the worker directory.
  This type of security profile also secures some lists of values. For example, the Change Manager and Hire pages include a person list of values that the public person security profile secures. The person who's selecting the manager for a worker may not have view access to that manager through a managed person security profile.

Predefined security profiles provide view-all access to secured objects. For example, the View All Positions security profile provides access to all positions in the enterprise.

Security Criteria in HCM Security Profiles

In a security profile, you specify the criteria that identify data instances of the relevant type. For example, in an organization security profile, you can identify organizations by organization hierarchy, classification, or name. All criteria in a security profile apply. For example, if you identify organizations by both organization hierarchy and classification, then only organizations that satisfy both criteria belong to the data instance set.

Access to Future-Dated Objects

By default, users can't access future-dated organization, position, or person objects.

Enable access to future-dated objects as follows:

- For organizations, select the **Include future organizations** option in the organization security profile
- For positions, select the **Include future positions** option in the position security profile
- For person records, select the **Include future people** option in the person security profile

> **Tip:** The predefined View All Workers security profile doesn't provide access to future-dated person records. The predefined View All People security profile, which provides access to all person records, including those of contacts, does provide access to future-dated records.

Security Profile Creation

You can create security profiles either individually or while creating an HCM data role. For standard requirements, it's more efficient to create the security profiles individually and include them in appropriate HCM data roles.

To create security profiles individually, use the relevant security profile task. For example, to create a position security profile, use the **Manage Position Security Profile** task in the Setup and Maintenance or Workforce Structures work area.

Reuse of Security Profiles

Regardless of how you create them, all security profiles are reusable.

You can include security profiles in other security profiles. For example, you can include an organization security profile in a position security profile to secure positions by department or business unit. One security profile inherits the data instance set defined by another.

Related Topics

- Predefined HCM Security Profiles
- Best Practices for HCM Data Roles and Security Profiles

Payroll Security Profiles

You can use different methods to provide access to payrolls for members of the Payroll department. Use the Manage Payroll Security Profiles task to organize your payroll definitions into appropriate payroll security profiles.

Then, use the Assign Security Profiles to Role task to select the security profiles included in an HCM data role that you provision to a user.

Payroll Period Type

It's common to use the payroll security profile to organize payroll definitions by payroll period type. You simply create one security profile for each payroll type, such as monthly payrolls, another for semimonthly payrolls, and so on.

Regional Assignments

You can use payroll security profiles to group payrolls by the regions of the employees' work location. For example, you can create one for Canadian facilities and another for European facilities.

Individual Contributors

If your payroll managers can access only the payroll definitions that they manage, use create payroll security profiles to include only those payrolls.

Payroll Data Capture for Multiple Concurrent Assignments

You can restrict access to assignments based on a user's Person Security Profile, if your organization allows workers to have multiple concurrent assignments.

Enable the assignment-level security profile to ensure that users have access toonly those assignments that match the criteria defined in their person security profile.

You can apply this behavior to a limited set of quick actions, such as Payroll Relationship, Element Entries, Calculation Entries, and Costing for a Person. For all other payroll features, the behavior stays the same. If at least one of the employee's assignment satisfies the criteria in the person security profile, then the application displays all assignments on the search results page.

This table describes how the enhanced data capture applies to these Quick Action tasks:

Task	Manage Page	View-Only Page	REST	Responsive Person Search	What's Displayed?
Payroll Relationship	Yes	Yes	Yes	Assignment in Security Profile	Payroll relationship for the selected assignment. Assignments within the payroll relationship

Task	Manage Page	View-Only Page	REST	Responsive Person Search	What's Displayed?
					and in the security profile.
Element Entries	Yes	Yes	N/A	Assignment in Security Profile	Element entries for the payroll relationship for the selected assignment. All element entries for assignments within the payroll relationship and in the security profile.
Calculation Entries	Yes	Yes	N/A	Assignment in Security Profile	Calculation entries for the payroll relationship for the selected assignment. All calculation entries for assignments within the payroll relationship and in the security profile.
Costing for a Person	Yes	Yes	N/A	Assignment in Security Profile	Costing information for the payroll relationship for the selected assignment.
Personal Payment Method	Yes	Yes	Yes	Assignment in Security Profile	Payroll relationships for the assignments in the user's assignment security profile.

Here are some considerations that you factor in when enabling the assignment-level security profile:

- Any other page, process, or report apart from those in the table operate at the payroll relationship level. You will have access to all assignments if at least one of the assignments satisfies the criteria set in the Person Security Profile.
- If you have access to one assignment each in the manage and view-only pages for the same employee, you can manage both assignments. The manage access takes precedence over view-only.
- Calculation entries, such as Absence and Time region don't support assignment level security.
- Quick Pay Person Search returns all assignments. Let's consider the case when you select an assignment that you're not allowed to view. Then the application displays those element entries for the assignments that you're allowed to view, which could be a different assignment than the one selected. If you aren't allowed to view any assignment, then the element entry section is blank. If you submit the Quick Pay, then the application processes all element entries.
- Quick Pay Person Search returns all assignments. Let's consider the case when you select an assignment that you're not allowed to view. Then the application displays those element entries for the assignments that you're allowed to view, which could be a different assignment than the one selected. If you aren't allowed to view

any assignment, then the element entry section is blank. If you submit the Quick Pay, then the application processes all element entries.

For more information about concurrent assignments, refer to the Secure Access for Workers with Multiple Assignments section of the Oracle Human Resources Cloud What's New.

User Defined Tables

Example to Create a User-Defined Table for Matched Row Values

User-defined tables store a date effective list of values that you can use in a formula. Set up your own structured tables to hold data such as wage codes or shift differentials.

In this example, you create a user-defined table to store values forworkers' schedules. To create a new table, use the User-Defined Tables task in the My Clients Group tab.

Scenario

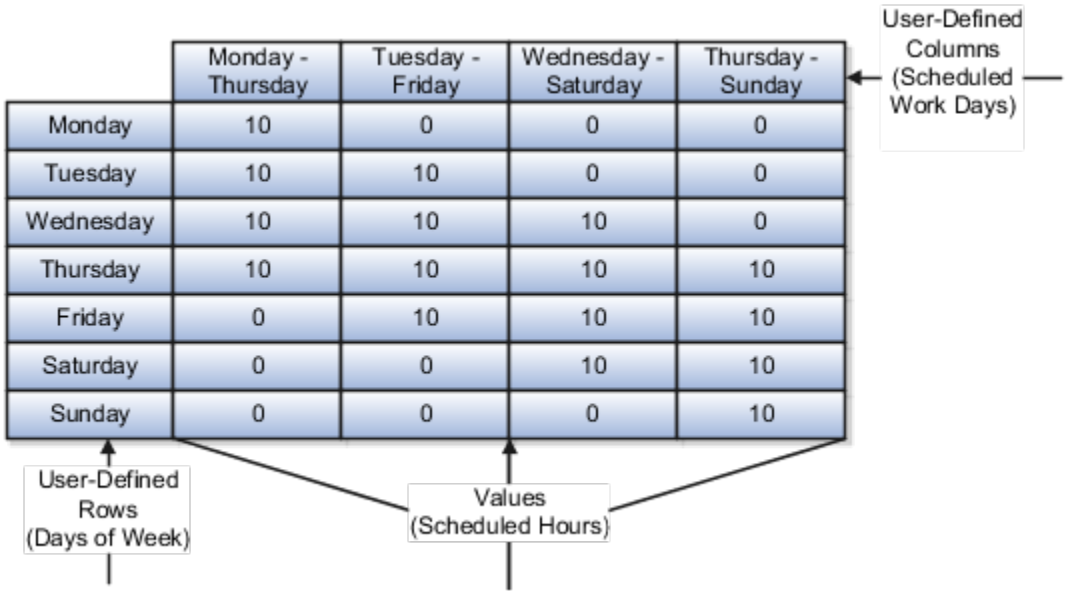
Your organization works on a 10 hour a day, four day a week rotating schedule. The employees work for four consecutive days, 10 hours a day.

User-Defined Table Components

These are the main components of the user-defined table.

- Basic details
- Columns
- Rows
- Values

As this figure shows, the user-defined table contains the schedules available in your organization.



Resulting User-Defined Table Components

This table shows the resulting user-defined table components for this scenario.

Component	In This Example
Basic Details	The Unit of measure is a text since the row values are Days of the Week. The row title is Days of the Week.
Rows	Contain the name of a day of the week.
Columns	These are the schedules, such as Monday - Thursday. The data type for each column is number because they hold a number of hours.
Values	Represent the number of hours to work each day in each schedule.

Related Topics

- User Table Validation Formula Type

Example to Create a User-Defined Table for a Range of Row Values

Click the User-Defined Tables quick action under the My Clients Groups table to create a user-defined table to store values for stock option allocations.

Scenario

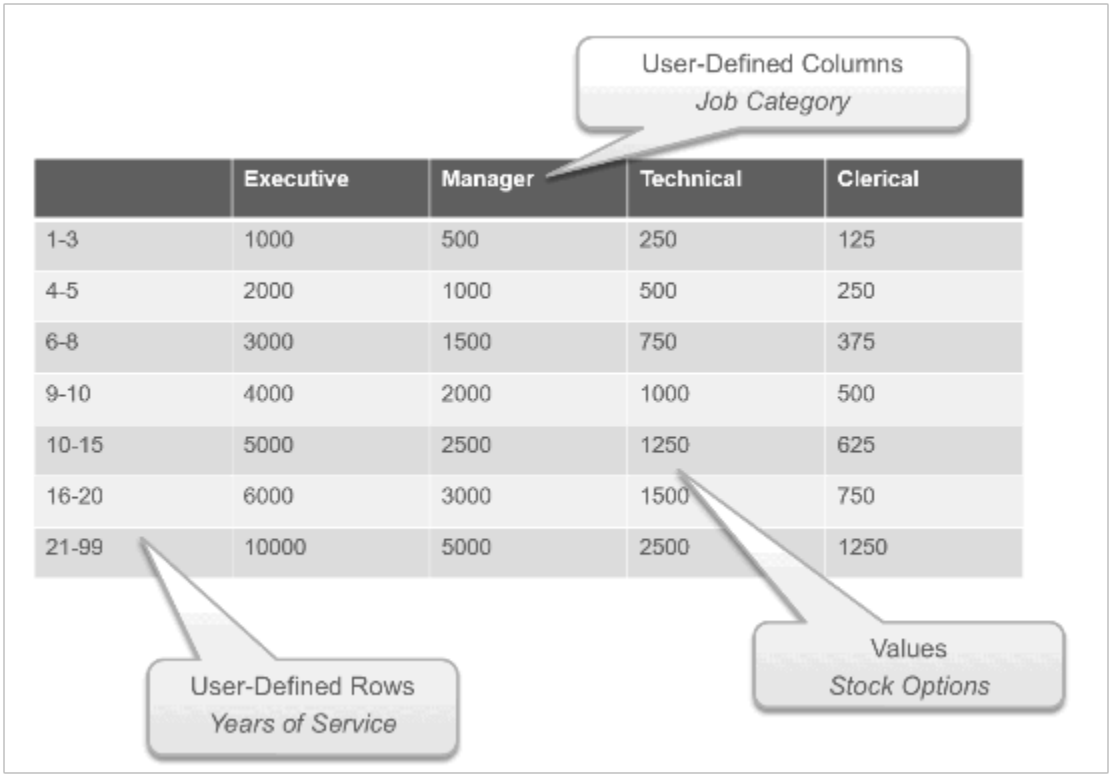
Each year, your organization offers stock options to its employees. The amount of options depends on years of service and job category of the employee receiving them.

User-Defined Table Components

The main components of the user-defined table are the definition, columns, rows, and values.

- Basic details
- Columns
- Rows
- Values

As this image shows, the user-defined table contains stock option allocations by job category and years of service.



Resulting User-Defined Table Components

This table shows the resulting user-defined table components for this scenario.

Component	In This Example
Basic Details	The unit of measure is a number since the row values are years. The row title is **Years of Service**.
Rows	Represent a range of years of service during which employees receive the same number of stock options.
Columns	Represent job categories and the data type of each column is number because they hold a number of stock options.
Values	Represent the number of stock options awarded to the specified job category during the specified years of service.

Related Topics

- User Table Validation Formula Type

Create a User-Defined Table

In this example, you create a user-defined table to hold the bonus percentages based on a person's years of service and department.

This table shows the various user-defined table components and values for those components:

- Rows represent the years of service.
- Columns represent the department.

Years of Service	Accounting	Payroll
1-5	.10	.08
6-10	.20	.16
11-99	.30	.24

Step 1: Create a User-Defined Table

1. On the Home page, click the **User-Defined Tables** quick action under the **My Clients** tab.
2. On the User-Defined Tables page in the Search Results area, click Create.
3. On the Create User-Defined Table dialog box, in the Legislative Data Group field, select US Legislative Data Group.
4. In the **Effective As-of Date** field, enter 1/1/2016.
5. Click **Continue**.
6. On the Create: User-Defined Table page in the Basic Details section in the **Name** field, enter **Bonus_Percent**.
7. In the **Range or Match** field, select Range.
8. In the **Row Title** field, enter **Years of Service**.

Step 2: Define the Accounting and Payroll Columns

1. In the User-Defined Columns section, click Create.
    - In the **Column Name** field, enter **Accounting**.
    - In the **Data Type** field, select **Number**.
2. In the User-Defined Columns section, click **Create**.
    - In the **Column Name** field, enter **Payroll**.
    - In the **Data Type** field, select **Number**.

Specify the Bonus Percent Range

1. In the User-Defined Rows section, click **Create**.
    - In the **Sequence** field, enter **10**.
    - In the **Low Range** field, enter **1** as the low range.
    - In the **High Range** field, enter **5** as the high range.
2. In the User-Defined Rows section, click **Create**.
    - In the **Sequence** field, enter **20**.

- In the **Low Range** field, enter **6** as the low range.
- In the High Range field, enter 10 as the high range.

3. In the User-Defined Rows section, click Create.
   - In the **Sequence** field, enter **30**.
   - In the **Low Range** field, enter **11** as the low range.
   - In the **High Range** field, enter **99** as the high range.

Step 4: Add Table Values for the Accounting Column

1. In the User-Defined Columns section, click Accounting.
2. Click **Next**.
3. On the Create User-Defined Table: User-Defined Table Values page in the User-Defined Table Values section, click **Create**.
   - On the Add User-Defined Table Values dialog box, select the first row, and then click **OK**.
   - In the **Value** field, enter **.10**.
4. Click **Create**.
   - On the Add User-Defined Table Values dialog box, select the second row, and then click **OK**.
   - In the **Value** field, enter **.20**.
5. Click Create.
   - On the Add User-Defined Table Values dialog box, select the third row and click **OK**.
   - In the **Value** field, enter **.30**.

Step 5: Add Table Values for the Payroll column.

1. Click **Back**.
2. In the User-Defined Columns section, click **Payroll**.
3. Click **Next**.
4. On the Create User-Defined Table: User-Defined Table Values page in the User-Defined Table Values area, click **Create**.
   - On the Add User-Defined Table Values dialog box, select the first row, and then click **OK**.
   - In the **Value** field, enter **.08**.
5. Click **Create**.
   - On the Add User-Defined Table Values dialog box, select the second row, and then click **OK**.
   - In the **Value** field, enter **.16**.
6. Click **Create**.
   - On the Add User-Defined Table Values window, select the last row, and then click **OK**.
   - In the **Value** field, enter **.24**.
7. Click **Submit**.
8. On the User-Defined Tables page, click **Done**.

User Table Validation Formula Type

The User Table Validation formula type validates entries in user-defined tables. When you create or edit user-defined tables, select the formula in the Formula field for the user-defined columns.

You can use this formula type to ensure that entries are:

- Between a specified range
- Don't contain a negative value

You can use the EFFECTIVE_DATE (text) context for formulas of this type.

You must use one input variable called ENTRY_VALUE of data type `text`.

These return values are available to formulas of this type:

Return Value	Data Type	Required	Description
FORMULA_MESSAGE	Text	N	Returns a text message for either or both statuses. The message is displayed on the Create User-Defined Table: User-Defined Table Values page.
FORMULA_STATUS	Text	Y	Returns the value S (success) or E (error).

This formula checks whether the deduction value entered in the Union A column of the Union Dues table is between 10.00 and 20.00:

```
/* Formula Name: Union A Dues Validation */
/* Formula Type: User Table Validation */
INPUTS ARE entry_value (text)
IF TO_NUMBER(entry_value) < 10.00 OR
TO_NUMBER(entry_value) > 20.00
THEN
(
formula_status = 'e'
formula_message = 'Error: Union A dues must be between $10.00 and $20.00.'
)
ELSE
(
formula_status = 's'
formula_message = ' '
)
RETURN formula_status, formula_message
```

Payroll Flows

Overview of Payroll Flows

Use payroll flows to streamline and optimize your payroll operations. They help you ensure smooth and seamless end-to-end execution of the processes that address all of your payroll business requirements.

Use payroll flows to manage, effectively and efficiently, all your payroll tasks, such as calculating payrolls, running reconciliation reports, and making payroll payments.

For example, to ensure your payroll cycles are accurate, you can design a flow that includes manual tasks that request validation at each step in the process. In this way, your Financial Director can verify the payroll costing results before the flow transfers the payroll costs to the general ledger.

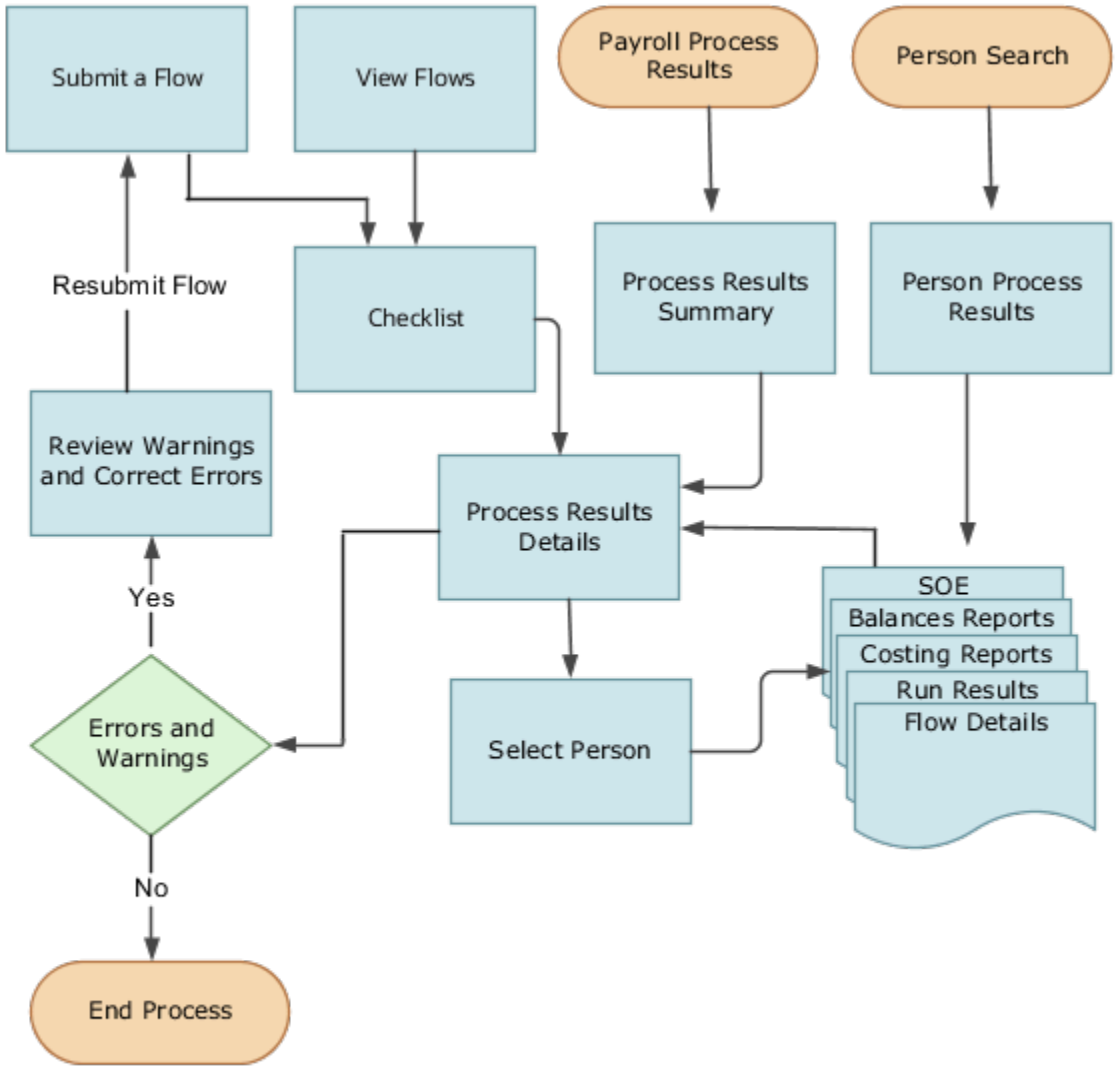
Predefined flow patterns are automatically available for you to submit all types of payroll processes and reports. A flow pattern can consist of a single task such as the Calculate Payroll flow, or multiple tasks, such as the Payroll Cycle flow. The Payroll Cycle flow includes all tasks for a payroll period in a best practice flow.

You can run the predefined flows directly, or you can use them as templates to create your own. You can even copy a predefined flow pattern and edit it to meet your business requirements, such as adding, deleting, or moving a task in the schedule.

There are also features to help you to design flows that address other complex business requirements, such as the task iterator, that automates repetitive tasks with a single flow submission. For example, use the task iterator option to generate a report for multiple payroll statutory units within your organization.

Similarly, use the flow connectors feature to isolate and review off-cycle and on-cycle payroll runs and subsequently combine the run results for downstream processing.

This workflow diagram gives you an understanding of how payroll flows work. It shows the navigation path from the pages that provide high-level flows information, such as the View Flows page, to the pages that provide detailed employee-level information, such as the Checklist and Process Results Details pages.



This table gives you a list of the payroll flow pages and a high-level description of the ongoing tasks you can perform to submit and monitor your flows.

Page Name	Tasks You Can Do On the Page
Submit a Flow	After you have created the flow pattern, use the Submit a Flow page to submit the flow. Navigate to Submit a Flow task from Quick Actions or under **Payroll** in **My Client Groups**. Use the filter options and search for the flow you want to submit. Enter a unique name for the flow and use the appropriate sections on the page to enter flow parameters, schedule your flow, and link flows if required.

Page Name	Tasks You Can Do On the Page
Checklist	A Checklist is generated for each submitted flow. The Checklist page provides a central point to monitor and manage all tasks within the flow. Use the Checklist to easily identify areas that require your attention, such as any tasks within your flow that have error messages. Perform actions on the Checklist page, such as roll back a task or mark a manual task as complete. To view further information for a specific task, select the task and navigate to the Process Results Details page.
Process Results Details	Use the Process Results Details page to view more detailed information for a flow task, such as errors and warning messages, report output, and log files.
Errors and Warnings	Use the Errors and Warnings page to view messages pertaining to persons or processes. You can also access this page from the Process Results Summary. Once you resolve all issues, navigate back to the Checklist page to continue processing any remaining tasks within your flow.
View Flows	Use the View Flows page to get an overall status of all submitted flows. Use the filter options on the page to identify flows that require your attention, such as a flow that includes tasks with error messages. Drill down on a flow to go to the Checklist page, to get more detailed information for the tasks within the flow. Navigate to View Flows task from Quick Actions or under **Payroll** in **My Client Groups**.

For more information on payroll flows, refer to the Administering Payroll Flows guide on the Oracle Help Center.

Related Topics

- Flow Pattern Components
- Payroll Flow Patterns

Flow Pattern Components

Before you begin to use flow patterns, let's walk you through a delivered flow pattern to understand flow components.

Use the Payroll Flow Patterns task under **Payroll** in **My Client Groups** to search and select a flow pattern.

For example, search for the predefined Calculate Payroll flow and click **Edit**. While creating your own flow pattern, select field options or values based on the information in this table.

Field	Description
Flow Status	Use this field to define how you can submit the flow. Select one of these options: • Active flow, to submit the flow from the flow submission page or to include the flow in automated flow submissions. • Inactive flow, to submit the flow through automated flow submissions. The flow isn't available for submission on the flow submission page. • Hidden flows aren't available for submission.
Connector Status	Use this field to decide what you want to include in the flow results. Select either of these options:

Field	Description
	• Task Flow, to consolidate results generated from tasks within the current flow and those from other connected flows. • Parameters Only flow, to include results generated from tasks within the flow. It doesn't include results from any additional flows.
Connector Name	Use this field to identify the flow pattern for the purpose of flow connector rules. This field is defaulted to the name of your flow pattern.
LDG Required	Use this field to determine availability of the flow to other legislative data groups (LDGs). Select either of these options: • Yes, to restrict the flow to a single LDG. • No, to indicate that the flow is available to all other LDGs.

Use these tabs on the Payroll Flow Patterns page to define more flow components and tasks within the flow.

Flow Connectors

Use the Connector tab to link flows at the flow pattern level and consolidate flow results for downstream processing. Use the Connected Flows field to select flows you want to connect to consolidate payroll results. The rules are automatically applied to all instances of the flow and you don't have to manually define connector rules each time you submit the flow.

For more information, refer to Considerations to Configure Flow Connectors topic in the Help Center.

Tasks

Review the task list, and if necessary, add new tasks to the flow pattern. You can edit the task name, description, and its placement in an activity or task group.

The Activity and Task Group define how the submitted flow instance is viewed hierarchically in the Checklist. In this example, the activity is 'Calculate' and the task group is 'Calculate and Validate Payroll'.

Edit the task to update the task parameters, owner and checklist information, and which notifications to send the task owner.

Optionally, select the **Process after Error** check box against a task, to allow a subsequent task to process, even if an immediately preceding task is in error. This ensures continuation of the flow.

For example if you have a flow with tasks, A ->B -> C, task B can't run if task A is in error, unless you select **Process after Error** for task B. Similarly, task C will run irrespective of the status of task B, if you select **Process after Error** for task C. After you complete the flow, you can view the errors, make corrections, roll back the errors, and resubmit the flow, if required.

Task Sequence

Since there is only one task for this flow, the sequence of the flow tasks is Start Flow > Calculate Payroll > End Flow.

For more complex multi-task flows, use the Task Sequence tab to review the task sequence and reorder, add or delete tasks, as required. Some tasks within the flow use and build upon the results of a previous task.

Parameters

Use the Parameters tab to define flow parameters, some of which you manually enter while submitting the flow, and the others are default or derived values. Define the properties of the parameters here. For example, indicate if a parameter is mandatory or optional, display the parameter on the UI or not, display format, and so on.

For more information, refer to Flow Pattern Parameters topic in the Help Center.

Outbound Integration

Use the Outbound Integration tab to configure an outbound notification with the payroll flows outbound API notifications feature. Once a task in a flow completes, it sends a completion message to an external downstream server. The server gets an automatic notification once the task completes, and it then triggers downstream non-payroll processes.

Review

Use the Review tab to preview how the flow is organized and displayed on the Checklist page.

Related Topics

- Considerations to Configure Flow Connectors
- Flow Pattern Parameters
- Sequencing Rules for Flows and Locked Tasks

4 Load Payroll Data Using Transformation Formula

Data Loader

Overview

Use HCM Data Loader for bulk-loading and maintaining payroll data. You can navigate to the HCM Data Loader pages directly from the Payroll Checklist page. On the Checklist page, select the Initiate Data Loader task to open the HCM Data Loader object status page.

You can use HCM Data Loader to load these payroll objects.

- Balance Definitions
- Element Entries
- Object Groups
- Organization Payment Method
- Payroll Consolidation Groups
- Payroll Costing
- Payroll Definitions and Time Periods
- Payroll Element Run Usage
- Payroll Elements
- Payroll Relationship
- Personal Payment Method
- Time Definitions
- User-Defined Tables
- Wage Basis Rules

For more info on how to load these business objects, refer to the Integrating with HCM guide.

Payroll Transformation Formula for HCM Data Loader

Your existing data or the data that you upload might not be in the format recognized by HCM Data Loader. In such cases, use the Payroll Transformation formula for HCM Data Loader to transform your data into a format that's supported by HCM Data Loader.

Payroll Transformation Formula for HCM Spreadsheet Data Loader

You can use HCM Spreadsheet Data Loader to load all payroll objects that HCM Data Loader supports. As the first step, you create a spreadsheet template for the required object from the Data Exchange work area and further download the template in CSV format. The Payroll Transformation Formula for HCM Spreadsheet Data Loader transforms the raw delimited file to a format that suits the template.

Related Topics

- Example of Loading Organization Payment Methods
- Example of Loading Payroll Balance Attribute Definitions
- Overview of Loading Payroll Costing
- Overview of Loading Payroll Details
- Overview of Loading User-Defined Tables

Payroll Transformation Formula for HCM Data Loader

Overview

Often times, your existing data or the payroll data that you upload might not be in the format recognized by HCM Data Loader.

In such cases, you can use a payroll transformation formula to transform your data into a format that'ssupported by HCM Data Loader.

Let's consider these examples.

- An inbound file contains data that needs to be loaded using different payroll business objects in HCM Data Loader. Here, the content of the file needs to be split across more than one HCM Data Loader file.
- You might create a transformation formula to convert an attribute value in the file to another value that you derive using value sets.
- You want to change a person number into an assignment number. In this case, you will use a more complex formula to convert the attributes.

You use the **Load Data From File** flow to transform your data into the HCM Data Loader file format using your transformation formula.

As this table shows, the two flow patterns are secured using these privileges:

Flow Pattern	Privileges
Submit Payroll Flow	PAY_SUBMIT_PAYROLL_FLOW_PRIV
Load HCM Data	HRC_LOAD_HCM_DATA_PRIV

This example specifies the file name in the formula as `PersonalPaymentMethod`, the file discriminator as `PersonalPaymentMethod`, and the business operation as MERGE.

```
/*HDL Related Outputs*/
 FileName = 'PersonalPaymentMethod'
 BusinessOperation = 'MERGE'
 FileDiscriminator = 'PersonalPaymentMethod'
```

To view details about the file name, file discriminator, and a list of supported business operations, use the **View Business Objects** task in the Data Exchange work area.

1. On the View Business Objects page, search for and select your business object. In this example, the business object is Personal Payment Method.
2. On the Component Details page, you can find the name of the file, and the file discriminator and a list of supported actions for the object.

Related Topics

- How You Transform Data Using Payroll Transformation Formula for HCM Data Loader
- How To Create A Program for Automation
- Submit the Load Data From File Flow

How You Transform Data

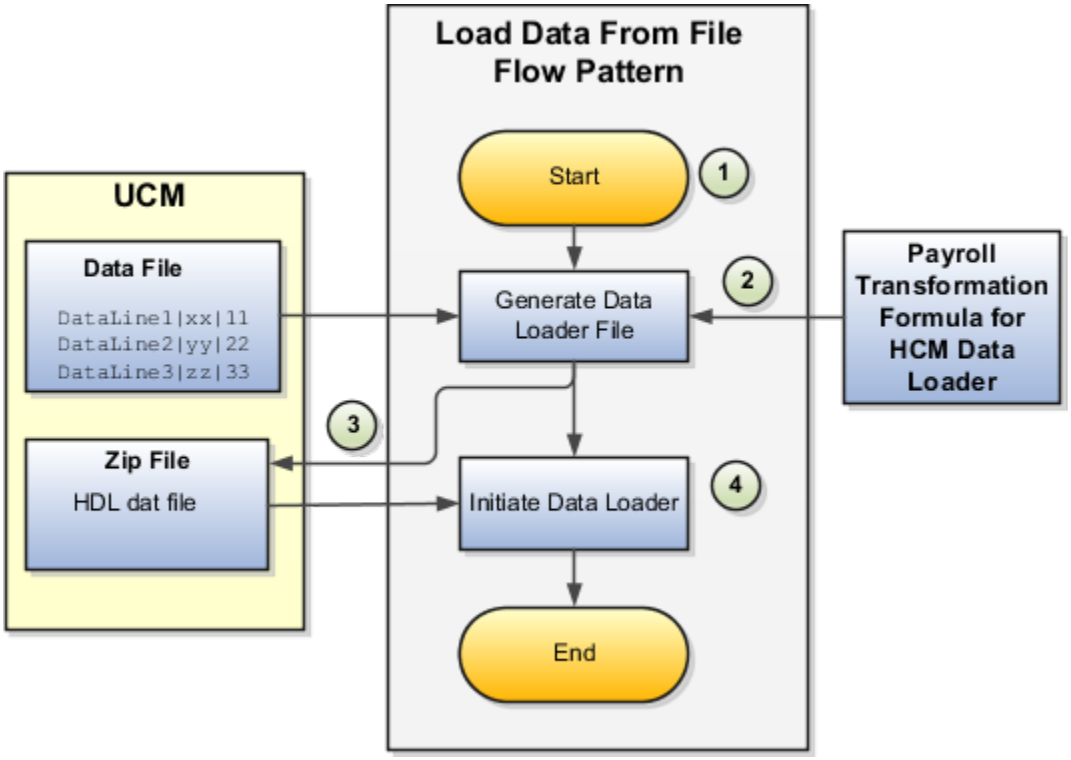
Use the **Load Data From File** flow to transform data in the source file into a format that's supported by HCM Data Loader.

You can submit this flow independently or include it in a flow that you create for automating data loads on aperiodic basis. When you submit the flow, either manually or using a web service, you must specify a transformationformula to transform the data, as needed.

The flow contains these two tasks that help you to transform data into a HCM Data Loader format:

- Generate Data Loader File
- Initiate Data Loader Task

As this figure shows, the first step is to submit the **Load Data From File** flow. This flow takes data from the flat file and generates an equivalent file format for the data present in the input file.



Perform these steps to transform data using Payroll Transformation Formula for HCM Data Loader:

1. On the Home page, click the **Submit a Flow** quick action under the **My Clients Groups** tab. On the Flow Submission page, search for, select, and submit the **Load Data From File** flow pattern.
2. The flow invokes the Payroll Transformation Formula for the Content ID. Typically, you create your transformation formula for HCM Data Loader on the Manage Fast Formulas page. The type of the formula should be HCM Data Loader.
3. The Generate Data Loader File task reads the data file line by line, producing an equivalent HCM Data Loader format for each line. Finally, it creates a compressed file of all of the transformed data files and uploads to the Oracle WebCenter Content server. Also, the task records the Content ID.
4. The **Initiate Data Loader** task takes the Content ID for the file generated by the **Generate Data Loader File** task. And it invokes HCM Data Loader. HCM Data Loader validates the data and creates valid records in the HCM cloud.

   The table shows the tasks and the privileges that they're secured with:

Task	Privilege
Submit Payroll Flow	PAY_SUBMIT_PAYROLL_FLOW_PRIV
Load HCM Data	HRC_LOAD_HCM_DATA_PRIV

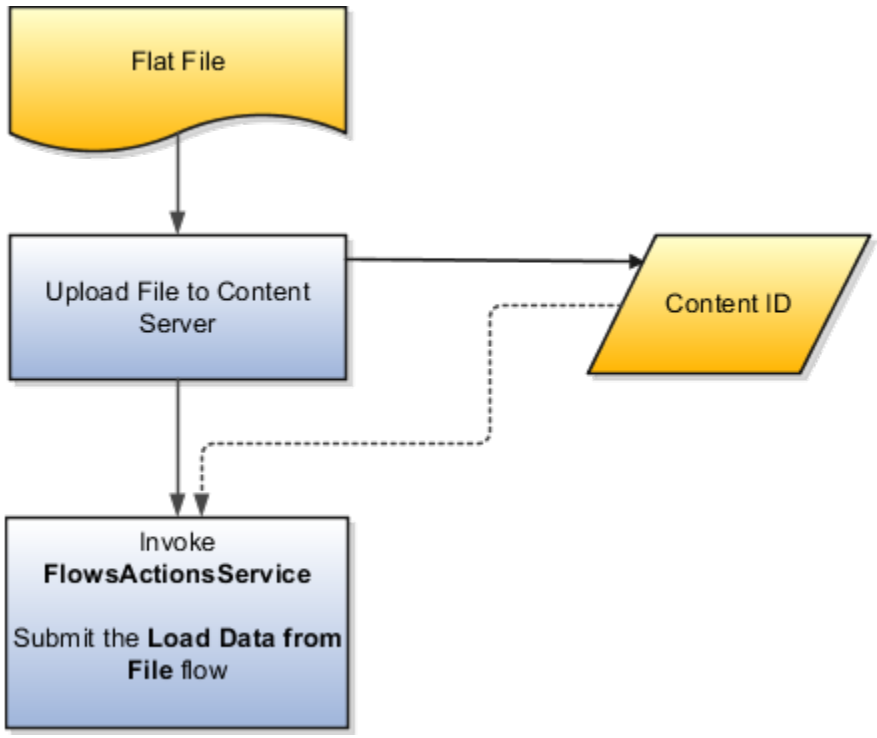
Related Topics

- How To Create A Program for Automation
- Submit the Load Data From File Flow
- Transformation Formula Input Variables

How To Create A Program for Automation

You can submit the **Load Data from File** flow by using a web service.

As this figure shows, your program uploads the source file to content server, and retrieves the content ID for the Flow Actions Service web service. Then, the program calls the Flow Actions web service by supplying certain parameters.



When calling the web service, your program supplies these parameters.

- Name of the flow pattern, which is **Load Data from File**
- Content ID of the uploaded file
- Unique name to identify the flow instance being submitted
- Process configuration group ID for special processing (optional)
- Transformation formula ID (mandatory)

For more information about the Flow Actions Service web service, refer to the SOAP Web Services for Oracle HCM Cloud guide. For examples of its usage for automating file uploads, refer to the attachment for HCM Data Loader User Guide (1664133.1) on My Oracle Support at https://support.oracle.com.

Related Topics

- Submit the Load Data From File Flow
- Transformation Formula Input Variables
- Payroll Transformation Formula Operations
- Sample Payroll Transformation Formula for HCM Data Loader
- Sample Payroll Transformation Formula for Multiple Business Objects

Submit the Load Data From File Flow

On the Home page, click the **Submit a Flow** quick action under the My Clients Groups tab. On the Flow Submission page, submit the **Load Data from File** flow pattern to transform data in your source file into the HDL format.

Assumptions

This procedure has these assumptions.

- You have the Human Capital Management Integration Specialist role.
- You have the source file ready to upload to Oracle WebCenter Content.
- If you have already uploaded the source file, you have the content ID handy.

Note: To upload files to the content server, browse to the source file on your file system, check it in to the content server, and retrieve its Content ID. For more information, see Oracle Fusion Middleware Using Oracle WebCenter Content guide.

Before You Begin

Before you submit the flow, ensure that you meet these prerequisites.

Characteristics	What You Should Do
Data transformation	If the data in the source file requires transformation, create and compile a transformation formula using the HCM Data Loader formula type. On the Home page, click the **Fast Formulas** quick action under the **My Clients Group** tab. You can now specify the processing parameters for your process configuration group.
File encryption	Before loading encrypted files, ensure that the encryption keys exist for the secure file transfer. This process involves creating a service request, generating PGP key pairs, and sharing the encryption keys. Specify the **Payroll Batch Loader Encryption Type** parameter value for the process configuration group you select when running the flow or the web service. Valid values are `PGPSIGNED`, `PGPUNSIGNED`, and `NONE`. On the Home page, click the **Process Payroll Configuration** quick action under the My Clients group tab. Now, you can specify the processing parameters for your process configuration group.
Other processing parameters	Use the **Payroll Process Configuration** task to add parameters for the process configuration group.

Characteristics	What You Should Do
	Examples of processing parameters include Batch Error Mode, Logging Area, Logging Category, and Threads.

1. On the Home page, click the **Submit a Payroll Flow** quick action under the **My Clients Groups** tab.
2. In the **Legislative Data Group** option, select a legislative data group.
3. Search for and select the **Load Data from File** flow pattern.
4. Click **Next**.
5. Enter the parameters, as shown in this table.

Field	Value
Payroll Flow	Descriptive name for this specific flow process.
Content Id	Enter the Content Id. The source file must already exist on the content server.
Transformation Formula	Select the required transformation formula. The type of the formula should be **HCM Data Loader**.
Process Configuration Group	Select your process configuration group.

6. On the Enter Parameters page, click **Next**.
7. On the Enter Flow Interaction page, click **Next**.
8. On the Schedule page, click **Next**.
9. On the Review page, click **Submit**.
10. In the confirmation dialog box, click **OK and View Checklist**.
11. On the Payroll Flow page, Task Details tab you should see a green check mark in the **Generate Data Loader File** and **Initiate Data Loader** rows, Task Type column. If not, on the toolbar, click the **Refresh** icon intermittently until you do.
12. Close the Payroll Flow page.
13. On the Overview page, search for and click your payroll flow.
14. View the process results.
15. Check for any errors or warnings.

Related Topics

- Transformation Formula Input Variables
- Payroll Transformation Formula Operations
- Return Values for Payroll Transformation Formula for HCM Data Loader
- Sample Payroll Transformation Formula for HCM Data Loader
- Sample Payroll Transformation Formula for Multiple Business Objects

Transformation Formula Input Variables

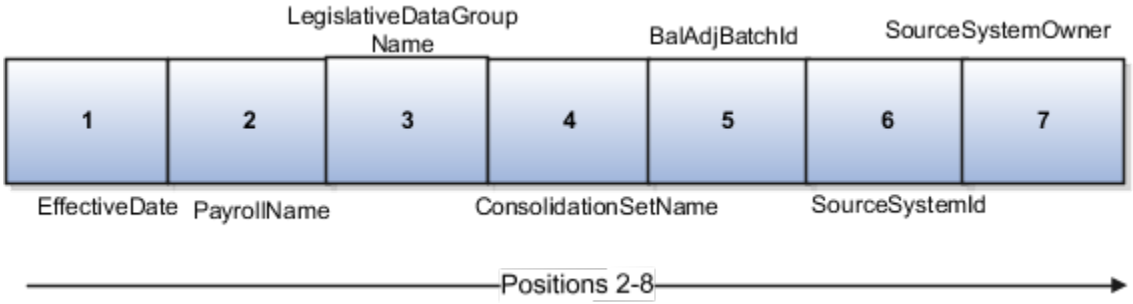
Variables, such as **FileName**, **FileDiscriminator** and **LINEREPEATNO**, are available for all formulas of HCM Data Loader Transformation formula type. Additional variables may be available depending on the selected business object.

Positions

Using the transformation formula, you can assign attributes to the required position. Positions can range from 1 to N. Depending upon the business object, the positions can be either optional or mandatory.

Example:

This figure shows the different attributes for positions 2 through 8 for Balance Adjustments.



In this example, you assign attributes to positions 2 through 8.

- **POSITION2**: **EffectiveDate**
- **POSITION3**: **PayrollName**
- **POSITION4**: **LegislativeDataGroupName**
- **POSITION5**: **ConsolidationSetName**
- **POSITION6**: **BalAdjBatchId**
- **POSITION7**: **SourceSystemId**
- **POSITION8**: **SourceSystemOwner**

FileName, FileDiscriminator, and BusinessOperation

FileName, **FileDiscriminator**, and **BusinessOperation** variables are required for all transformations.

Here are the details of these variables.

- **FileName** is the name of the file for the business object.
- **FileDiscriminator** is the file discriminator for the business object.
- **BusinessOperation** refers to the operation, such as Merge or Delete that are performed by the HCM Data Loader process on the transformed file.

Here's an example of values that you can supply for the input variables: **FileName**, **FileDiscriminator**, and **BusinessOperation**.

```
FileName = 'BalanceAdjustmentHeader'
BusinessOperation = 'MERGE'
```

```
FileDiscriminator = POSITION1
```

LINEREPEAT And LINEREPEATNO

`LINEREPEAT` allows a single line of input to be processed multiple times. And `LINEREPEATNO` indicates the number of repetitions.

For example, for time entry, there might be a regular time entry wage followed by a premium time entry wage.

Example: The Element Entry file contains these details.

```
Update|ElementEntryValue|Vision Corporation US LDG|WLM_Salary|2019/04/15|4712/12/31|E955160008191355-2|
Amount|1002|2|E
Update|ElementEntryValue|Vision Corporation US LDG|WLM_Salary|2019/04/15|4712/12/31|E955160008191355-2|
Amount|1003|3|E
```

The input line can be processed twice. The output file contains the element entry and element entry value as shown in this sample code snippet.

```
ELSE IF OPERATION='MAP' THEN
(
 LegislativeDataGroupName=POSITION3
 ElementName=POSITION4
 EffectiveStartDate=POSITION5
 EffectiveEndDate=POSITION6
 AssignmentNumber=POSITION7
 InputValueName=POSITION8
 ScreenEntryValue=POSITION9
 MultipleEntryCount=POSITION10
 EntryType=POSITION11
IF LINEREPEATNO=1 THEN
 (
 BusinessOperation='MERGE'
 BusinessObject='Element Entry'
 FileName = 'ElementEntry'
 FileDiscriminator ='ElementEntry'
 LINEREPEAT = 'Y'
 RETURN BusinessOperation,FileDiscriminator,FileName
 )
ELSE
(
 BusinessOperation='MERGE'
 BusinessObject='Element Entry Value'
 FileName = 'ElementEntry'
 FileDiscriminator = 'ElementEntry'
 LINEREPEAT = 'N'
 RETURN BusinessOperation,FileDiscriminator,FileName
 )
```

Note:

- The length of a line in the incoming raw file can't be more than 1000 characters
- The length of an attribute between two delimiters can't be more than 255 characters

Related Topics

- Payroll Transformation Formula Operations
- Return Values for Payroll Transformation Formula for HCM Data Loader
- Sample Payroll Transformation Formula for HCM Data Loader
- Sample Payroll Transformation Formula for Multiple Business Objects

Payroll Transformation Formula Operations

The transformation formula is invoked several times to derive different components that are required for processing the incoming data.

This table explains the various operations that you can do with the formula.

Operation Type	Return Value	Example
FILETYPE	OUTPUTVALUE	DELIMITED
DELIMITER	OUTPUTVALUE	|
READ	OUTPUTVALUE	NONE
MAP	Business Object Attributes	NA
NUMBEROFBUSINESSOBJECTS	OUTPUTVALUE	2
METADATALINEINFORMATION	METADATAn	METADATA1

Note: Remember that only 'Delimited' file type is supported.

Delimiter

The default delimiter that separates values is a pipe character. If your file uses a different delimiter, you must set the delimiter you want your formula.

This example specifies a comma character as the delimiter.

```
/* Calculations */
IF OPERATION='FILETYPE' THEN
 OUTPUTVALUE='DELIMITED'
ELSE IF OPERATION='DELIMITER' THEN
 OUTPUTVALUE=','
```

Note: Ensure that the delimiter you enter in the formula is a single non-ASCII character and not part of any of the values to upload.

MAP

The MAP operation defines the return values related to a particular object. The return values must have the same names as the attributes specified in the application for that object.

For example, these RETURN values can be used to generate an Element Entry dat file.

```
RETURN
 BusinessOperation,FileDiscriminator,FileName,AssignmentId,AssignmentNumber,CreatorType,DateEarned,EffectiveEndDate,
```

Here, the `BusinessOperation` is set to MERGE and the `BusinessObject` is set to Element Entry.

METADATALINEINFORMATION

The application generates the file either with all defined attributes or with only specified attributes, depending on whether you specify a value for `METADATALINEINFORMATION` or not.

1. If you don't specify a value for `METADATALINEINFORMATION`, then the application generates `METADATLINE` in the transformed file with all defined attributes for the business object.
2. If you specify a value, then the transformed file will contain only the attributes that you specified.

For the `METADATALINEINFORMATION` operation, you specify an array per business object being processed in the formula. The number of arrays should match the number specified in the `NUMBEROFBUSINESSOBJECTS` operation. The name of the array should be `METADATA` with the number as suffix . For example, `RETURN METADATA1, METADATA2` when the `NUMBEROFBUSINESSOBJECTS` is 2.

Note: The first two entries in the array are reserved to specify the `FileName` and `FileDiscriminator` of the business object.

Additionally, for `METADATALINEINFORMATION`, you can specify attributes with special characters for that business objects.

Notice that in this example `BalAdjBatchId(SourceSystemId)` has parenthesis.

If the file contains either Flexfield or SourceSystem references, then the application can't resolve the default mapping of output parameter names and attributes.

Let's consider this syntax: `jobEffSegment1(PER_JOBS_EIT_EFF=context)`. To allow this construct to be generated in the HCM Data Loader file, you define the `METADATA` line in the transformation formula. For each business object that appears in the output, you must define the `METADATA` content in an array.

Example:

```
METADATA2[1] = 'Job' /*FileName*/
METADATA2[2] = 'JobExtraInfo' /*FileDiscriminator*/
METADATA2[3] = 'EffectiveStartDate'
METADATA2[4] = 'EffectiveEndDate'
METADATA2[5] = 'JobCode'
METADATA2[6] = 'SetCode'
METADATA2[7] = 'FLEX:PER_JOBS_EIT_EFF'
METADATA2[8] = 'EFF_CATEGORY_CODE'
METADATA2[9] = 'InformationType'
METADATA2[10] = 'JeiInformationCategory'
METADATA2[11] = 'LegislationCode'
METADATA2[12]= 'SequenceNumber'
METADATA2[13]= 'jobEffSegment1(PER_JOBS_EIT_EFF=job-eff-context)'
```

Here's how the generated HCM Data Loader file looks like.

```
METADATA|JobExtraInfo|EffectiveStartDate|EffectiveEndDate|JobCode|SetCode|FLEX:PER_JOBS_EIT_EFF|
EFF_CATEGORY_CODE|InformationType|JeiInformationCategory|LegislationCode|SequenceNumber|
jobEffSegment1(PER_JOBS_EIT_EFF=job-eff-context)
```

NUMBEROFBUSINESSOBJECTS

This operation indicates the number of business objects being processed in the formula.

Related Topics

- Return Values for Payroll Transformation Formula for HCM Data Loader
- Sample Payroll Transformation Formula for HCM Data Loader
- Sample Payroll Transformation Formula for Multiple Business Objects

Return Values for Payroll Transformation Formula for HCM Data Loader

The return values for HCM Data loader formulas vary based on the business object and task action.

They are the same as the attribute names and must include `BusinessOperation`, `FileName`, and `FileDiscriminator`.

Here's an example of return values.

```
/*Return Values*/
RETURN BusinessOperation,FileName,FileDiscriminator,Attribute1,Attribute2,...,Attributen
/*Attributes for a particular Business Object can be found from the View Business Objects UI under the HCM
 Data Loader task in the Data Exchange Work Area */
```

For the `NUMBEROFBUSINESSOBJECTS` and `METADATALINEINFORMATION` operations, the `RETURN` statement is as follows.

```
/*Return Values for NUMBEROFBUSINESSOBJECTS and METADATALINEINFORMATION Operation*/
IF OPERATION='FILETYPE' THEN
 OUTPUTVALUE='DELIMITED'
ELSE IF OPERATION='DELIMITER' THEN
 OUTPUTVALUE='|'
ELSE IF OPERATION='READ' THEN
 OUTPUTVALUE='NONE'
ELSE IF OPERATION = 'NUMBEROFBUSINESSOBJECTS' THEN(
 OUTPUTVALUE = '2'
 RETURN OUTPUTVALUE
 )
ELSE IF OPERATION = 'METADATALINEINFORMATION' THEN
 (
 METADATA1[1] = 'BalanceAdjustmentHeader' /*FileName*/ /*Reserved*/
 METADATA1[2] = 'BalanceAdjustmentHeader' /*FileDiscriminator*/ /*Reserved*/
METADATA1[3] = 'LegislativeDataGroupName'
 METADATA1[4] = 'BatchName'
 METADATA1[5] = 'SourceSystemId'
 METADATA1[6] = 'SourceSystemOwner'

 METADATA2[1] = 'BalanceAdjustmentHeader' /*FileName*/ /*Reserved*/
 METADATA2[2] = 'BalanceAdjustmentGroup' /*FileDiscriminator*/ /*Reserved*/
 METADATA2[3] = 'EffectiveDate'
 METADATA2[4] = 'PayrollName'
 METADATA2[5] = 'LegislativeDataGroupName'
 METADATA2[6] = 'ConsolidationSetName'
 METADATA2[7] = 'BalAdjBatchId(SourceSystemId)'
 METADATA2[8] = 'SourceSystemId'
 METADATA2[9] = 'SourceSystemOwner'
 RETURN METADATA1, METADATA2 /*Only two as Return value for NUMBEROFBUSINESSOBJECTS is 2*/
 )
```

You can define variables with special characters. For example, use this structure to return the `BalAdjBatchId(SourceSystemId)` Source ID.

```
/*Return Values for the MAP Operation*/
 FileName = 'BalanceAdjustmentHeader'
 BusinessOperation = 'MERGE'
 FileDiscriminator = POSITION1
 EffectiveDate = POSITION2
 PayrollName = POSITION3
 LegislativeDataGroupName = POSITION4
 ConsolidationSetName = POSITION5
 "BalAdjBatchId(SourceSystemId)"= POSITION6
 SourceSystemId = POSITION7
 SourceSystemOwner = POSITION8

 RETURN BusinessOperation, FileDiscriminator, FileName, EffectiveDate, PayrollName,
 LegislativeDataGroupName, ConsolidationSetName, "BalAdjBatchId(SourceSystemId)", SourceSystemId,
 SourceSystemOwner

/*Note BalAdjBatchId(SourceSystemId) is enclosed by double quotes while assigning value as well as while
 putting it in the return values list */
```

Related Topics

- Overview of Payroll Transformation Formula For HCM Data Loader
- How You Transform Data Using Payroll Transformation Formula for HCM Data Loader
- Sample Payroll Transformation Formula for HCM Data Loader
- Sample Payroll Transformation Formula for Multiple Business Objects

Sample Payroll Transformation Formula

In this example, the transformation formula specifies the transformation mechanism for an incoming comma separated delimited file. The formula's return values are the same as the list of attributes for the personal payment method object.

Here's the sample raw file for personal payment method, with comma as the delimiter.

```
2018/04/04,1,ZHRX_VS_US_TPPI_LDG_ONE,E955160008191423,ZHRX_VS_US_TPPI_Check,PPM1,M,10
```

And this code snippet has the formula for this example.

```
/*****************************************************************
FORMULA NAME: Load Personal Payment Method
FORMULA TYPE: HCM Data Loader
*****************************************************************/
/* Inputs */
INPUTS ARE OPERATION (text), LINENO (number), LINEREPEATNO (number),POSITION1 (text), POSITION2 (text),
 POSITION3 (text), POSITION4 (text), POSITION5 (text), POSITION6 (text), POSITION7 (text), POSITION8 (text)

DEFAULT FOR POSITION1 IS 'NO DATA'
DEFAULT FOR POSITION2 IS 'NO DATA'
DEFAULT FOR POSITION3 IS 'NO DATA'
DEFAULT FOR POSITION4 IS '2'
DEFAULT FOR POSITION5 IS '100'
DEFAULT FOR POSITION6 IS 'NO DATA'
DEFAULT FOR POSITION7 IS 'NO DATA'
DEFAULT FOR POSITION8 IS 'NO DATA'
DEFAULT FOR LINEREPEATNO IS 1

IF OPERATION='FILETYPE' THEN
```

```
 OUTPUTVALUE='DELIMITED'
ELSE IF OPERATION='DELIMITER' THEN

(
 OUTPUTVALUE=','
 RETURN OUTPUTVALUE
)
ELSE IF OPERATION='READ' THEN
 OUTPUTVALUE='NONE'
ELSE IF OPERATION='MAP' THEN
 /*HDL Related Outputs*/
 (
 FileName = 'PersonalPaymentMethod'
 BusinessOperation = 'MERGE'
 FileDiscriminator = 'PersonalPaymentMethod'
 EffectiveStartDate=POSITION1
 ProcessingOrder=POSITION2
 LegislativeDataGroupName=POSITION3
 AssignmentNumber=POSITION4
 OrganizationPaymentMethodCode=POSITION5
 PersonalPaymentMethodCode=POSITION6
 PaymentAmountType=POSITION7
 Amount=POSITION8
 RETURN
 BusinessOperation,FileName,FileDiscriminator,EffectiveStartDate,PersonalPaymentMethodCode,AssignmentNumber,Amount,P
 )
ELSE
 OUTPUTVALUE='NONE'
RETURN OUTPUTVALUE
/* End Formula Text */
```

Related Topics

- Overview of Payroll Transformation Formula For HCM Data Loader
- How You Transform Data Using Payroll Transformation Formula for HCM Data Loader
- Sample Payroll Transformation Formula for Multiple Business Objects

Sample Payroll Transformation Formula for Multiple Business Objects

In this example, the formula uses the user defined tables and personal payment method business objects. It converts the Person Number in the flat file into Assignment Number and uses the `METADATALINEINFORMATION` and `NUMBEROFBUSINESSOBJECTS` operations.

Here's the sample of the raw input file.

```
PPM|2018/04/04|1|ZHRX_VS_US_TPPI_LDG_ONE|955160008191423|ZHRX_VS_US_TPPI_Check|PPM1|M|10
UDT|SM_UDT_4|Range|Number|Test UDT|USA LDG
```

And this code snippet has the formula for this example.

```
/*************************************************************
FORMULA NAME: Load User Defined Table and Personal Payment Method
FORMULA TYPE: HCM Data Loader
*************************************************************/
/* Inputs */
INPUTS ARE OPERATION (text), LINENO (number), LINEREPEATNO (number),POSITION1 (text), POSITION2 (text),
 POSITION3 (text), POSITION4 (text), POSITION5 (text), POSITION6 (text), POSITION7 (text), POSITION8
 (text),POSITION9 (text)
```

```
DEFAULT FOR POSITION1 IS 'NO DATA'
DEFAULT FOR POSITION2 IS 'NO DATA'
DEFAULT FOR POSITION3 IS 'NO DATA'
DEFAULT FOR POSITION4 IS '2'
DEFAULT FOR POSITION5 IS '100'
DEFAULT FOR POSITION6 IS 'NO DATA'
DEFAULT FOR POSITION7 IS 'NO DATA'
DEFAULT FOR POSITION8 IS 'NO DATA'
DEFAULT FOR POSITION9 IS 'NO DATA'
DEFAULT FOR LINEREPEATNO IS 1
IF OPERATION='FILETYPE' THEN
 OUTPUTVALUE='DELIMITED'
ELSE IF OPERATION='DELIMITER' THEN
 OUTPUTVALUE='|'
ELSE IF OPERATION='READ' THEN
 OUTPUTVALUE='NONE'
ELSE IF OPERATION = 'NUMBEROFBUSINESSOBJECTS' THEN
 (
 OUTPUTVALUE = '2'
 RETURN OUTPUTVALUE
 )
ELSE IF OPERATION = 'METADATALINEINFORMATION' THEN
 (
 METADATA1[1] = 'UserDefinedTable' /*FileName*/
 METADATA1[2] = 'UserDefinedTable' /*FileDiscriminator*/
 METADATA1[3] = 'UserTableCode'
 METADATA1[4] = 'RangeOrMatch'
 METADATA1[5] = 'UserKeyUnits'
 METADATA1[6] = 'UserRowTitle'
 METADATA1[7] = 'UserTableName'
 METADATA1[8] = 'LegislativeDataGroupName'
 METADATA2[1] = 'PersonalPaymentMethod' /*FileName*/
 METADATA2[2] = 'PersonalPaymentMethod' /*FileDiscriminator*/
 METADATA2[3] = 'EffectiveStartDate'
 METADATA2[4] = 'PersonalPaymentMethodCode'
 METADATA2[5] = 'AssignmentNumber'
 METADATA2[6] = 'Amount'
 METADATA2[7] = 'ProcessingOrder'
 METADATA2[8] = 'OrganizationPaymentMethodCode'
 METADATA2[9] = 'PaymentAmountType'
 METADATA2[10] = 'LegislativeDataGroupName'
 RETURN METADATA1, METADATA2
 )
ELSE IF OPERATION='MAP' THEN

 IF POSITION1='UDT' THEN
 (
 FileName = 'UserDefinedTable'
 BusinessOperation = 'MERGE'
 FileDiscriminator = 'UserDefinedTable'
 UserTableCode = POSITION2
 IF POSITION3='Range' THEN
 (
 RangeOrMatch = 'R'
 )
 IF POSITION4='Number' THEN
 (
 UserKeyUnits = 'N'
 )
 UserRowTitle = POSITION5
 UserTableName = POSITION2
 LegislativeDataGroupName = POSITION6
 RETURN
 BusinessOperation,FileDiscriminator,FileName,UserTableCode,RangeOrMatch,UserKeyUnits,UserRowTitle,UserTableName,Leg
 )
 IF POSITION1='PPM' THEN
```

```
 (
 FileName = 'PersonalPaymentMethod'
 BusinessOperation = 'MERGE'
 FileDiscriminator = 'PersonalPaymentMethod'
 EffectiveStartDate=POSITION2
 ProcessingOrder=POSITION3
 LegislativeDataGroupName=POSITION4
 AssignmentNumber=GET_VALUE_SET('SAMPLE_GET_ASG_NUM','|=PERSON_NUMBER='''||POSITION5||'''')
 OrganizationPaymentMethodCode=POSITION6
 PersonalPaymentMethodCode=POSITION7
 PaymentAmountType=POSITION8
 Amount=POSITION9
 RETURN
 BusinessOperation,FileName,FileDiscriminator,EffectiveStartDate,PersonalPaymentMethodCode,AssignmentNumber,Amount,P
 )
ELSE
 OUTPUTVALUE='NONE'
RETURN OUTPUTVALUE
/* End Formula Text */
```

Note: To debug value sets, create a BI report with this query to return the required data.

```
SELECT pay_ff_functions.gvs ('SAMPLE_GET_ASG_NUM','|=PERSON_ID=100000012092216') value FROM dual;
```

Related Topics

- Overview of Payroll Transformation Formula For HCM Data Loader
- How You Transform Data Using Payroll Transformation Formula for HCM Data Loader
- How To Create A Program for Automation

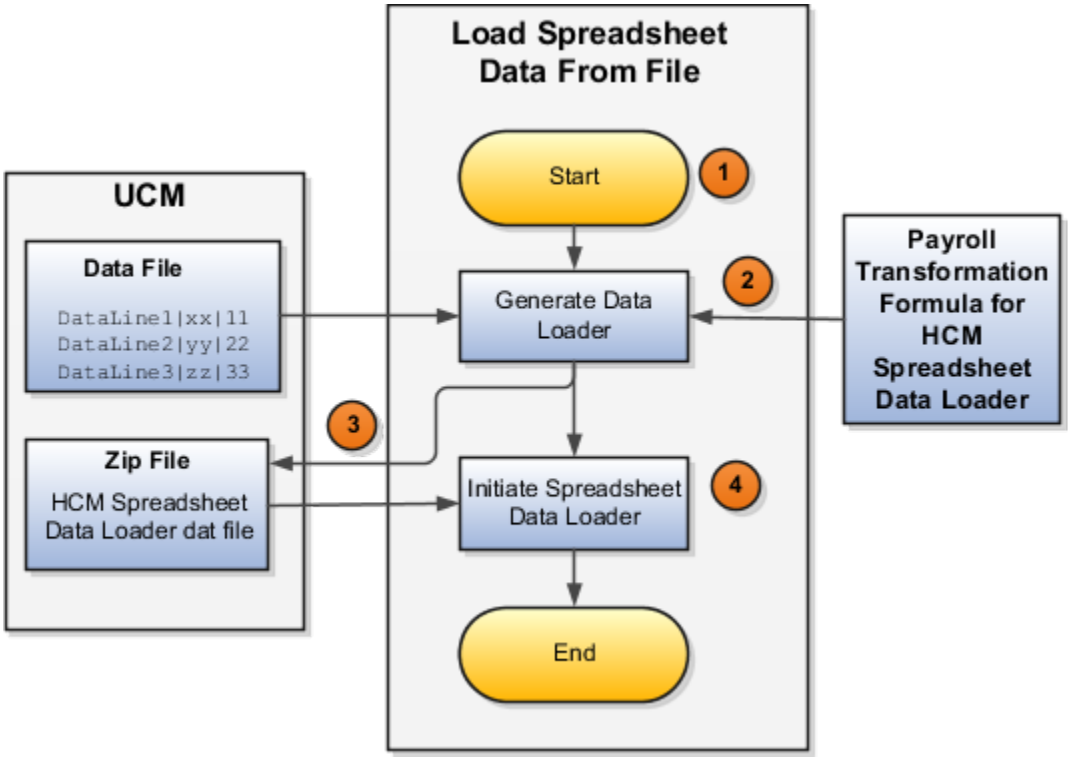
Payroll Transformation Formula for HCM Spreadsheet Data Loader

Overview

You can use HCM Spreadsheet Data Loader to load all payroll objects that HCM Data Loader supports.

As the first step,you create a spreadsheet template for the required object from the Data Exchange Work area and further downloadthe template in CSV format. You can download CSV and XML file templates from a spreadsheet template. The PayrollTransformation Formula for HCM Spreadsheet Data Loader transforms the raw delimited file to a format that suits the template.

This figure summarizes the process of transforming data that's uploaded using HCM Spreadsheet Data Loader.



Here's a summary of how the transformation process works.

1. On the Home page, click the **Submit a Flow** quick action under the **My Clients Groups** tab. Submit the **Load Spreadsheet Data File** flow pattern.

   The flow is secured using these privileges:

Flow	Privilege
Submit Payroll	`PAY_SUBMIT_PAYROLL_FLOW_PRIV`
Load Data using HCM Spreadsheet Data Loader	`HRC_LOAD_DATA_USING_HSDL_PRIV`

2. This flow pattern invokes the transformation formula for the Content ID and has these tasks:
   a. Generate Data Loader File
   b. Initiate Spreadsheet Data Loader
3. The **Generate Data Loader File** task reads the data file line by line, producing an equivalent HCM Spreadsheet Data Loader format for each line. Finally, it creates a compressed file of all of the transformed data files and uploads it to Oracle WebCenter Content server.
4. The **Initiate Spreadsheet Data Loader** task takes the compressed file generated by the **Generate Data Loader File** task and invokes the HCM Spreadsheet Data Loader. The HCM Spreadsheet Data Loader creates the required data in the HCM Cloud.

Related Topics

- Guidelines for Using HCM Spreadsheet Data Loader
- How Data Is Uploaded Using HCM Spreadsheet Data Loader
- HCM Spreadsheet Data Loader Templates
- Create and Edit Spreadsheet Templates
- Guidelines for Designing Spreadsheet Templates

Sample Payroll Transformation Formula for HCM Spreadsheet Data Loader

In this example, the transformation formula specifies the transformation mechanism for an incoming pipe separated delimited file. The formula's return values are the same as the list of attributes in the template file for the User Defined Table business object.

And this code snippet has the formula for this example.

```
/* Inputs */
INPUTS ARE OPERATION (text), LINENO (number), LINEREPEATNO (number),POSITION1 (text), POSITION2 (text),
 POSITION3 (text), POSITION4 (text), POSITION5 (text), POSITION6 (text), POSITION7 (text), POSITION8 (text)
DEFAULT FOR POSITION1 IS 'NO DATA'
DEFAULT FOR POSITION2 IS 'NO DATA'
DEFAULT FOR POSITION3 IS 'NO DATA'
DEFAULT FOR POSITION4 IS 'NO DATA'
DEFAULT FOR POSITION5 IS 'NO DATA'
DEFAULT FOR LINEREPEATNO IS 1
IF OPERATION='FILETYPE' THEN
OUTPUTVALUE='DELIMITED'
ELSE IF OPERATION='DELIMITER' THEN
OUTPUTVALUE='|'
ELSE IF OPERATION='READ' THEN
OUTPUTVALUE='NONE'
ELSE IF OPERATION = 'NUMBEROFBUSINESSOBJECTS' THEN
(
OUTPUTVALUE = '1'/*Always be 1*/
RETURN OUTPUTVALUE
)
ELSE IF OPERATION = 'METADATALINEINFORMATION' THEN
(
METADATA1[1] = 'SMUDT' /*TemplateCode*/
METADATA1[2] = 'UserDefinedTable' /*FileDiscriminator*/
METADATA1[3] = 'UserDefinedTable_UserTableCode'
METADATA1[4] = 'UserDefinedTable_LegislativeDataGroupName'
METADATA1[5] = 'UserDefinedTable_UserTableName'
METADATA1[6] = 'UserDefinedTable_RangeOrMatch'
METADATA1[7] = 'UserDefinedTable_UserRowTitle'
METADATA1[8]= 'UserDefinedTable_UserKeyUnits'
RETURN METADATA1 /*You can return only one METADATA for the respective template*/
)
ELSE IF OPERATION='MAP' THEN
(
FileName = 'SMUDT'
BusinessOperation = 'HSDL'
FileDiscriminator = 'UserDefinedTable'
UserDefinedTable_UserTableCode = POSITION1
UserDefinedTable_LegislativeDataGroupName = POSITION2
UserDefinedTable_UserTableName = POSITION1
```

```
UserDefinedTable_RangeOrMatch = POSITION3
UserDefinedTable_UserRowTitle = POSITION4
UserDefinedTable_UserKeyUnits = POSITION5
RETURN
 BusinessOperation,FileDiscriminator,FileName,UserDefinedTable_UserTableCode,UserDefinedTable_LegislativeDataGroupNa
)
ELSE
OUTPUTVALUE='NONE'
RETURN OUTPUTVALUE
/* End Formula Text */
```

Note: The template code needs to be used in the Fast Formula.

Related Topics

- Guidelines for Using HCM Spreadsheet Data Loader
- How Data Is Uploaded Using HCM Spreadsheet Data Loader
- HCM Spreadsheet Data Loader Templates
- Create and Edit Spreadsheet Templates
- Guidelines for Designing Spreadsheet Templates

5 Geography Information Upload

Load Geography Information

A geocode is a nine-digit numeric code used to identify specific legal jurisdictions accurately to all Canadian provinces and territories.

Use either GBG|Loqate, or your own geography data vendor to load geography data. GBG|Loqate is the Oracle-licensed geography vendor across all Oracle applications, but it is not mandatory. You may use any other geography vendor, but it has to be comparable in structure by using a 2-character province code.

Use the file-based import option to upload the Canadian geography data into the Oracle Payroll for Canada application. After the geography data is loaded, you must then use the **Maintain Canadian Geography** process to create the geocodes for the geographies you have loaded.

Note: Geocodes are created only for the provinces.

Use the Manage Geographies task to view the information.

6 Address Styles and Country Extensions

Implement Global Payroll

To implement payroll, you must first understand payroll feature choices and concepts. You can then plan your payroll implementation using the Functional Setup Manager. Functional Setup Manager enables rapid and efficient planning, configuration, implementation, deployment, and ongoing maintenance of the application through administration.

Payroll Feature Choices

As part of feature choices for payroll processing you:

- Select the correct country extension setting for each of your countries and territories on the Features by Country or Territory page. The country extension setting ensures that certain payroll-related features, such as element templates, work correctly in your implementation.
- Select the Payroll Costing Options to cost your payroll and the appropriate subledger accounting rules.
- Select the appropriate precision for the currency of each country or territory where you're processing payroll.
- Set the currency of each country or territory where you're sending payroll data to a third-party payroll provider. However, don't select that country or territory as a feature choice. Select the Payroll Interface extension on the Features by Country or Territory page.

Addresses

Change Address Style and Address Validation Settings

Use the Features by Country or Territory task to control address style and level of address validation for the countries or territories you configure. The values you can set depend on the combination of the country or territory and the selected country extension.

For example, for Canada, you can change the address style from its default value only when you set the country extension to Human Resources or None. You can't change the address style from its default value when you set the country extension to Payroll or Payroll Interface.

Address Styles

The address style you select determines which address attributes are available and maintained in the application. The combination of address style and address validation determines the level of validation.

Depending on the country or territory and the country extension you select, you have one or both of the following address style options. Each address style provides its own validation.

Address Style	What the Address Style Does
Postal Address	This address style provides the fundamental set of address attributes for a country or territory. In some cases, this style adds supplemental attributes. For instance this address style might include general address attributes that aren't relevant, such as State or Postal Code.
Supplemental Taxation and Reporting Address	Enforces validation to attribute changes. For example, this style may add specific validation of postal codes, such as requiring a specific number of characters in a specific sequence.

Use the Features by Country or Territory task to see what's delivered for your country. Each country has a default address style and the choice of the country extension determines whether you can change the default address style.

Address Validation Based on Country Extension

Address validation is the validation of county, city, province, and postal code combinations.

Employees must have a valid address in order for them to receive their tax card and to ensure the accuracy of their tax calculations.

Address validation is automatically enabled for some license and product extension combinations. For example, for Canada, the default is Supplemental Taxation and Reporting Address. However, the address style and address validation depends on the country extension, as shown in this table.

Extension	Style Enforced	Validation Enforced
Human Resources	No	No
Payroll Interface	Yes	No
Payroll	Yes	Yes

For Canada, if you have chosen to install Human Resources, the value for the Address Style can be modified to either format. If you have chosen to install either Payroll Interface or Payroll, the value for the Address Style can't be modified. It must be set to Supplemental Taxation and Reporting Address. Validations are implemented to enforce that requirement.

Change Address Styles

For most of the predefined countries and territories, the application enforces the address style, preventing you from making changes. However, when the address style isn't enforced, such as a customer-configured legislation, changing address styles can affect validation rules. This might lead to address data integrity and validation issues.

For example, for Canada, if you initially implement Human Resources using the Postal Address style and then later change the country extension to Payroll, you must also change the address style to Supplemental Taxation and Reporting Address. As a result, you must update your existing address data to resolve validation errors.

Note: The Supplemental Taxation and Reporting Address style, once selected, impacts both the Person and HCM Locations address styles. Ensure to test any changes you make to address style or validation for a country or territory before you implement them in a production environment. If you provide data to a third party, such as a payroll or benefit provider, statutory recipients, or financial institutions, you must test the changes. Changes to validation or address styles may result in missing data or unrecognized data.

Tip: Use the Manage Legal Addresses task to review and configure how addresses appear in the application.

Disable Address Validation

Disabling address validation disables any country-specific programmatic validation rules created for a specific country or territory. You can disable address validation on the Features by Country or Territory page.

A country or territory might have rules defined using the Manage Geographies task for validating address structure, format, or values. Disabling address validation doesn't have any impact on the validations you have set up on the Manage Geographies page.

For some countries, the application prevents you from disabling the programmatic validation. For other countries and territories, when you disable address validation, any existing validation rules for the selected address style, remains in place.

Note: For Canada, when Payroll is the selected country extension, you can't disable the address validation.

For example, suppose you have chosen Human Resources with address validation enabled. During data conversion, you want to temporarily bypass address validation rules to load a batch of worker data. You can achieve this by deselecting the Address Validation check box before loading your data. After loading the batch, if the address validation remains disabled, any new address data you enter later, could be potentially invalid. Errors may occur in subsequent processes and reports. As a result, you must re-enable address validation and update your existing address data to resolve validation errors.

Enable Address Validation

To manually enable or disable address validation:

1. Search for and start the **Features by Country or Territory** task.
2. Select the **Address Validation** box.
3. Click Save and then Done.

CAUTION: If you don't have address validation enabled, then you must take care when switching product extensions, as any address you previously defined may be missing required values, such as county and tax district. There's also the possibility of invalid address combinations, such as mismatched city and postal code combinations.

Legal Addresses

A legal address is the mailing address of a legal entity or legal authority. A legal address is also the address a legal entity uses to register with a legal authority.

You can use legal addresses to send correspondence, such as invoices, bills, reports, and so on, to a legal entity or authority.

No legal addresses are predefined for Canada. You must create legal addresses for all organizational units of the enterprise before creating legal entities.

The format in which addresses must be entered for workers located in Canada is predefined and should not be modified during implementation.

Use the Manage Legal Address task to create a legal address. For each address you create, select Canada as the country so that the Canadian Address style is used.

The table below lists the fields in the Canadian address style.

Field Name	Mandatory and Optional Fields
Country	Mandatory
Address 1	Mandatory
City	Mandatory
Province	Mandatory
Postal Code	Mandatory

In Canada, the work province is used to calculate tax. To determine the work province, the province of employment on the tax card is derived from the province of the employee's work location. The application uses the province of employment to determine where the employee is taxed.

When an employee transfers provinces, the employee's work location and the province of employment on the tax card must reflect the change. Use the **Calculation Card Options** profile option parameter to enable or disable the automatic update of the province of employment on the tax card.

For more information on Location Synchronization, see How Province of Employment Works with Calculation Cards for Canada in the Help Center.

When entering an address, it's good practice to enter the Postal Code first. The application automatically populates the other fields based on the geography data. When editing any of the address fields that are already populated, the other fields that are no longer applicable to the new data gets cleared out.

You can create new geographies by importing data through the interface tables. You can load data into the interface tables using the Oracle Fusion file-based data import process or a tool of your choice.

Country Extensions

How Country Extensions are Selected

Use the Features by Country or Territory task under Payroll in My Client Groups, to select the correct product for your legislations. The country extension setting ensures that certain payroll-related features, such as element templates, work correctly in your implementation.

By default, each country's extension is set to Human Resources or None, which means no payroll product is selected. If you plan to use payroll or any predefined payroll interface extracts for a country or territory, you must set its country extension to the appropriate payroll setting.

The options available for selection is given here.

- Payroll
- Payroll Interface
- Human Resources or None

For some countries or territories, the options available for selection may be restricted.

Setting the country extension to Payroll ensures that all payroll features function correctly. The other product settings you select control the functions of payroll-related features when you aren't using Global Payroll.

Payroll

The implications of setting the country extension to Payroll are as given here.

- When creating elements, the element templates generate formulas and other associated items that are required for costing or payment processing in Global Payroll.
- The new-hire process includes country-specific features, such as automatic generation of calculation cards for statutory deductions and validation of address formats.
- Payroll definitions require associated organization payment methods. You must select payment methods that include a payment source.
- Defining payment sources requires source banks in Oracle Fusion Financials.

Payroll Interface

The implications of setting the country extension to Payroll Interface is as given here.

- The element templates for creating regular and supplemental earnings elements generate associated objects, such as input values, formulas, and balances. These objects are required for including employee data in the Calculate Gross Earnings process.

  For all other elements, the simplified element templates create only the element and no associated objects.
- The new hire process includes country-specific validations.
- Validations on payroll objects are less restrictive to support sending employee bank information as follows:
  - No requirement for payment sources in organization payment methods

- No dependency on source banks in Financials

Human Resources or None

The implications of setting the country extension to Human Resources or None is as given here.

- The element templates for creating standard earnings, supplemental earnings, direct payments, and taxable benefits elements with flat amount calculation rule generates the element definition and three input values, such as amount, periodicity and full time equivalent. This template for percentage calculation rule generates percentage input value and factor input value for factor calculation rule. It doesn't generate any other objects, such as fast formulas and balances.
- The element templates for creating the other elements generates only the elements and not the associated objects, such as input values, formulas, or balances.

  You can configure these elements to meet your specific business requirements, such as adding input values and formulas to a compensation element.
- Certain countries or territories have additional country-specific validation.
- Validations on payroll objects are less restrictive, as with the Payroll Interface setting.

Select Country Extensions

This example demonstrates how to configure payroll-related features for countries and territories in an enterprise.

The Vision enterprise has employees in Canada and France with different payroll arrangements:

- In Canada, the enterprise pays employees using Oracle Payroll application.
- In France, the enterprise extracts and sends payroll-related data to third-party payroll provider using Payroll Interface extract definitions.

Set the Extension

1. In the Setup and Maintenance work area, go to the following:
   - Offering: Workforce Deployment
   - Functional Area: Payroll
   - Task: Manage Features by Country or Territory
2. Click **Go to Task**.
3. In the **Selected Extension** list, select the extension for the countries as shown in this table.

   The following table lists the country names and the product usage that you can select for this scenario.

Country	Extension
Canada	Payroll
France	Payroll Interface

Country	Extension

4. Click **Save**, and then click **Done**.

7 Prerequisite Payroll Setup Tasks

Prerequisite Tasks for Payroll Setup

The Define Payroll task list in the Setup and Maintenance work area contains most of the setup tasks required for payroll processing. However, first you must complete the required common application configuration tasks.

You may have already done some of these tasks because other HCM applications require them. Revisit tasks to address payroll-specific tasks, such as creating tax reporting units.

Perform the prerequisite tasks in the following task lists within Define Common Applications Configuration for Human Capital Management:

- Define Features by Country or Territory
- Define Geographies for HCM
- Define Enterprise Structures for HCM

Define Features by Country or Territory

Use the Features by Country or Territory task to select the correct product for each of your legislations and ensure that the appropriate features work correctly in your implementation. These settings control the availability of payroll-related features, such as element templates, and address style and address validation rules used in processes and reports.

For further information, see the Selecting Country Extensions: Critical Choices topic in the Help Center.

Define Geographies for HCM

Verify predefined geographies and define any additionally required local geographies.

Define Enterprise Structures for HCM

Complete tasks in the task lists shown in this table.

Task List	Action
Define Legal Jurisdictions and Authorities for HCM	• Create a legal jurisdiction if not already created or predefined. • Create a legal authority for each government body you interact with. • Create addresses for legal entities and legal authorities.
Define Legal Entities for HCM	• Create at least one legislative data group to partition your payroll data. • Create at least one legal entity designated as a payroll statutory unit (PSU) for each legislative data group. • Associate each PSU with a legislative data group. • Optionally, create calculation cards for statutory deductions for each PSU. • Define the Provincial Medical Account and the Provincial Medical Carrier information at the PSU level.

Task List	Action
	• Define Workers' Compensation Account and Workers' Compensation Classification Unit information at the PSU level.
Define Legal Reporting Units for HCM	• Create any additional legal reporting units that you need under a PSU and designate them as tax reporting units. • Optionally, create calculation cards for statutory deductions for each tax reporting unit. • Define transmitter information at the TRU level. • Define Record of Employment contact details for the TRU.
Define Business Units for HCM	Create business units that you can use to perform one or more business functions.
Define Chart of Accounts for Enterprise Structures Define Accounting Configurations for HCM	Create charts of accounts, ledgers, and accounting calendars. When you create a bank for a payment source, you must select a legal entity that's assigned to a ledger for the associated legislative data group. Payroll costing also requires these financial components.

Conceptual information and step-by-step information for implementing these prerequisites are mentioned in the earlier chapters.

Payroll Setup Tasks for Financials

Because payroll and payroll costing rely on and integrate with components of other applications, you must set up the components in Financials, such as charts of accounts and ledgers.

Set up the financial components before you set up components in Payroll, such as banks to process payments, associate a ledger to a payroll definition, and run processes to distribute costing results.

Complete these setup tasks to create the chart of accounts and ledgers. You can perform these tasks with the application implementation consultant job role can perform these tasks.

Chart of Account Setup

Complete these tasks to set up your chart of accounts information. Later, you associate the chart of accounts to a ledger.

Task	Action
Value Sets	Create new or review existing value sets, which you will associate with a key flexfield segment.
Structures	Create account structures that specify the segments to include, their order, and the value sets that will validate the data entered in the segments. General Ledger predefines the Accounting key flexfield.
Structure Instances	Create account structure instances, which you will use to record transactions and maintain account balances.

Task	Action
Value Set Values	Create groups of values, which you will assign to a key flexfield segment.
Account Hierarchies	Search, create, and edit hierarchical groupings of accounts.
Accounting Calendars	Set up accounting calendar period details. Determine the total number, frequency, and duration of the accounting periods.
Account Combinations	1. Create account combinations if the structure instance of your chart of accounts flexfield doesn't allow dynamically created account combinations 2. Create accounts for each account combination used in payroll. As a best practice, use the same account numbers for your payroll and general ledger accounts. 3. If you reconcile payments in Cash Management, create an account combination for reconciliation differences.

Ledger Setup

You perform these tasks as part of the accounting configuration setup for Global Payroll.

Task	Action
Primary Ledgers	Create a ledger with a chart of accounts, accounting calendar, currency and subledger accounting method. **Note:** If you're creating bank information, you must create a primary ledger.
Legal Entities	Add the legal entities that use the ledger. The Legal Entity HCM Information task associates the payroll statutory units for legal entities to the legislative data group.
Ledger Options	1. Complete all the fields for the General Information and Accounting Calendar, and Subledger Accounting sections. 2. In the Period Close section, select the Retained Earnings Account you will use for payroll. 3. In the Journal Processing Intercompany subsection, select the option to launch AutoReverse after the open period.
Balancing Segment Values to Legal Entities	Assign specific balancing segment values to each legal entity before assigning values to the ledgers. By specifying this information, you can more easily identify legal entities during transaction processing and reporting
Balancing Segment Values to Ledger	Optionally, assign specific primary balancing segment values to the primary and secondary ledgers to represent transactions for nonlegal entities, such as adjustments.
Reporting Currencies	Review and update reporting currencies.

Task	Action
	Reporting currencies maintain and record subledger and general ledger journal entries in additional currencies.
Review and Submit Accounting Configuration	Submit your configuration.
Open First Period	Open the first period when you're ready to process transactions for the ledger. After you open the first period, use the Accounting Periods task in General Ledger to open and close periods, and to specify the target period that concludes the series of calendar periods.

Related Topics

- How Payroll Costing Components Integrate with Other Applications
- Primary Ledgers, Secondary Ledgers, and Reporting Currencies
- Payroll Setup Tasks for Subledger Accounting
- Assign Legal Entities and Balancing Segments
- Chart of Accounts Structures and Instances

Payroll Cost Allocation Key Flexfield Setup

The cost allocation key flexfield creates a structure for the financial accounting of your payroll costs.

The flexfield captures the account codes that you use to create accounting entries, and to report and track your labor costs. Consider all aspects of the flexfield and its uses during your planning.

You can configure one flexfield for each of your legislative data groups (LDG) with these steps.

- Create an account key flexfield structure based on the Cost Allocation key flexfield code.
- Create a structure instance that you associate to appropriate value sets.
- Map the structure instance to a legislative data group.
- Specify rules in Subledger Accounting to use the cost allocation key flexfield instance as the segment source in the Accounting key flexfield for the chart of accounts.

Structure of the Cost Allocation Key Flexfield

Decide what structure to use for the cost allocation key flexfield and use the Cost Allocation Key Flexfield to set it up.

The structure of the flexfield defines the segments such as their order and the value sets used to validate the data entered in the segments. Configure each segment of the cost account. For example:

- Segment 1 = Company
- Segment 2 = Cost Center
- Segment 3 = Account Number
- Segment 4 = Project Code

For example, the salary cost account number is 01.200.60001.987654 for a company with the following cost allocation key flexfield setup:

- Company = 01
- Cost Center = 200
- Account Number = 60001
- Project Code =987654

This table provides decision points to consider before you create the cost allocation key flexfield structure.

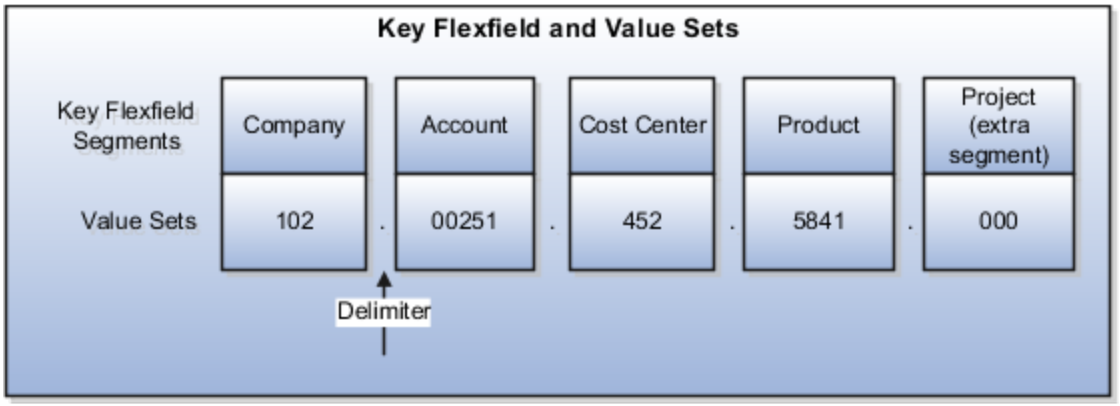
Decision	Description
How many cost allocation key flexfield segments does your Accounting flexfield include?	You must create a segment for each corresponding segment of the Accounting flexfield.
Do you need to reserve segments for future use?	You can't update the flexfield structure. You can create segments for later use, such as new lines of business, and display them as needed.
Do you capture context-sensitive information for legislative purposes?	Create additional segments to capture context-sensitive costing, such as separate liability accounts maintained for each state and state tax.
Do you capture information used by other applications?	Create additional segments, for example, to record the breakdown of costs of a project for reporting purposes.

Value Sets for the Segments

You associate a value to each segment using the Payroll Costing Value Sets. Use either existing value sets or create value sets. For example, you might reuse an existing value set that you defined for your accounting flexfield, or create a subset of those values, which only apply to payroll.

Tip: Consider creating a single value when several accounts use the same value. For example, you might use a value set with a single value of zeros as a placeholder for account segments to be future use segments.

Review diagram for changes:



Segment Labels

You can use segment labels to define the costing levels in order to enter segment information. For example, if the Company segment can be entered at the Department level, choose the segment label Department for the Company segment.

Costing Hierarchy

Costing hierarchy defines the sequence costing entries are applied. You can define costing at different levels within the hierarchy where the lowest payroll structure level has the highest costing priority. If lower levels of the hierarchy aren't defined, they inherit the higher-level values, which simplify entry and prevents you from having to enter duplicate segment values into lower levels of the hierarchy. Enter lower levels of the hierarchy when you want to override in that instance. For example, if the company code segment is set at the payroll level, it's rarely entered for element entries.

Hierarchy structures vary with the Costing Type but all of the levels can be used with the "Costed" indicator setting.

Note: The costing hierarchy is different for regular element to retro element.

Cost Hierarchy Levels

Consider which level of the cost hierarchy is the primary source of values for that segment and which levels should receive overrides. These decisions control the cost account segments displayed on the costing setup pages.

This table includes examples of the segment labels that you might specify for costing.

Context Segments	Example
Element Entry	Select Element Entry to override all other levels, with one exception. Segments defined for the Priority account for that element override costing at the element entry level. You might select the segment for cost center at the element entry level to cover situations where a person works at another cost center for a payroll period.
Person	Select Person to cost at the payroll relationship and assignment level, and for elements at each of these levels. You might select Person to enable allocation of wages when costs are shared among several cost centers. You might need to override the activity or natural account segment that's usually enabled at the element level.
Position Assignment	Select the position with respect to a legislative data group to define the costing at position level. This is for all the persons who's associated to this position at assignment level.
Job Assignment	Select the job with respect to a legislative data group to define the costing at position level. This is used for all the persons who's associated to this position at assignment level.
Location	Select the location with respect to a legislative data group to define the costing at location level. This is used for all the persons who's associated to this location at assignment level.
Department Assignment	Select the department with respect to a legislative data group to define the costing at position level. This is for all the persons who's associated to this position at assignment level.

Context Segments	Example
Element Eligibility	Select Element Eligibility for natural accounts. You also use this level for cost center segments needed for balance sheet accounts, such as deduction elements that are usually created at the payroll relationship level.
Payroll	Select Payroll for segments that seldom change for the people assigned to the payroll, such as company, line of business, and future use segments. **Tip:** To report costing by business unit, set up payrolls for persons in a single business unit. Specify a segment at the payroll level to record the account information for the business unit.

Required and Optional Segments

Determine required and optional segments and whether or not you want to define a suspense account. When you set up costing and you don't specify a value for a cost account segment on any level of the costing hierarchy, the following determines the calculation:

- Segment is required or optional
- Suspense account is defined

If you define a segment as:

- Optional, regardless of whether you define a suspense account, the costing result displays a blank (null) value in the segment
- Required and the suspense account is defined, the costing result is placed in a suspense account
- Required and the suspense account isn't defined, the calculation displays an error and the person's results aren't costed

Segments Required for the Offset Account

Decide which segments of the offset account require costing.

The offset account balances the cost account. The offset uses the segments of the cost account unless you specify a different value for the corresponding segment. For instance, if the only difference between your cost and offset accounts is the natural account segment for the element eligibility segment label, you would select the natural account for the offset account.

Number of Structure Instances

You create structure instances of your cost allocation key flexfield that you then associate to legislative data groups. Structure instances share the same set, arrangement, and properties of the cost allocation key flexfield structure. If a legislative data group requires different value sets for the flexfield segments, create a separate instance for that legislative data group.

Related Topics

- Payroll Setup for Costing Accounts
- Element Costing Options
- How Payroll Costing Components Integrate with Other Applications
- Cost Hierarchy
- Overview of Generating Flexfield Database Items

Set Up Reconciliation for Payments

Oracle Fusion Global Payroll integrates with Oracle Fusion Cash Management and Oracle Fusion General Ledger. This integration facilitates the setup of banks, branches, and bank accounts, and the reconciliation of bank statements with payment transactions.

An administrator or implementor with the appropriate privileges performs the tasks shown in the following table in the Setup and Maintenance work area:

Application	Setup Steps	Task
General Ledger	Create an account combination for the reconciliation differences account.	Manage Account Combinations
Cash Management	Set up transaction codes that map to the payment method transaction codes used in payroll.	• Manage Cash Transaction Type Mapping • Manage Bank Statement Transaction Codes
Cash Management	Create reconciliation rules.	• Manage Bank Statement Reconciliation Tolerance Rules • Manage Bank Statement Reconciliation Matching Rules • Manage Bank Statement Reconciliation Rule Sets
Payroll	1. Create liability, cash clearing, and cash accounts for your payment sources. 2. Specify the option Transfer to General Ledger.	Manage Costing of Payment Sources

This topic covers the steps for setting up the following objects:

- Reconciliation differences account
- Payroll transaction codes
- Reconciliation rules
- Payroll accounts

Set Up Reconciliation Differences Account

If you reconcile payment costs before posting the costing results to Oracle Fusion General Ledger, set up a reconciliation differences account in General Ledger using the Manage Account Combinations task. The reconciliation differences accounts in Cash Management records discrepancies between the bank statement and the transferred payment files, such as over and under payments.

Set Up Payroll Transactions Codes

If you cost your payments, set up and map transaction codes in Cash Management for the organization payment methods.

Task	Action
Manage Bank Statement Transaction Codes	1. Review the transaction and statement codes that your enterprise currently uses 2. Create transaction codes for the transaction types that support your organization payment methods
Manage Cash Transaction Type Mapping	1. Map transaction types to payment types used for the organization payment methods that support costing of payments. 2. Identify the organization payment methods for payroll accounts, such as payroll liability, cash, and cash clearing accounts.

Set Up Reconciliation Rules

Payroll processes transfer your payment entries to Cash Management for manual or automatic reconciliation with bank statements, and cost the unreconciled and reconciled payments to the appropriate account, such as the cash clearing and cash accounts.

If you reconcile transactions automatically, in Cash Management complete the tasks listed in the following table.

Task	Action
Manage Bank Statement Reconciliation Tolerance Rules	Create tolerance rules based on date, amount, or percentage that prevent or warn you when reconciliation exceeds a defined tolerance.
Manage Bank Statement Reconciliation Matching Rules	Define bank statement automatic reconciliation matching rules.
Manage Bank Statement Reconciliation Rule Sets	Assign a group of matching rules and tolerance rules to a bank account for reconciling bank statement lines with transactions.
Manage Bank Accounts	Specify the Reconciliation Differences account you set up in Oracle Fusion General Ledger..

Set Up Payroll Accounts

Create a liability and cash account. Create a cash clearing account to track payments such as cheques, where a delay exists between the date the payment is issued and the date it clears. Use the Manage Costing of Payments task in the Setup and Maintenance work area or in the Accounting Distribution work area of Oracle Fusion Global Payroll.

Note: When you set up the accounts, it's best practice to enter the same account information that you use for the cash and cash clearing account that you created in General Ledger.

8 Set Up Enterprises and Workforce Structures

Enterprise Structures

Setting up an enterprise structure for Canada involves these tasks:

1. Defining a legislative data group
2. Defining legal jurisdictions
3. Defining legal authorities
4. Defining legal addresses and locations
5. Defining legal entities and legal reporting units
6. Defining legal entity registrations

You can perform all setup tasks under Workforce Deployment offering in the Setup and Maintenance work area. Canada supports all the organization models. These are the key points you must consider as you create and set up Canadian enterprise structures.

Legislative Data Groups

A legislative data group (LDG) defines the payroll and related data partition context for a user. Create at least one LDG for each country where an enterprise operates.

Use the Manage Legislative Data Groups task to create a Canadian LDG. Set the Country to Canada and the Currency to Canadian Dollar. Select a Cost Allocation Structure appropriate for your implementation.

Legal Jurisdictions

Set up jurisdictions before creating registrations. Canada has federal and provincial levels of jurisdictions. Set up the jurisdictions, and define the registrations and legal categories.

Define jurisdictions as required, depending on the provinces that you operate in. Use the Manage Legal Jurisdictions task to create legal jurisdictions.

Legal Authorities

A legal authority is a government or legal body. A legal authority is charged with powers to make laws, levy and collect fees and taxes, and remit financial appropriations for a given jurisdiction. Use the Manage Legal Authorities task to create legal authorities.

It is optional to define legal authorities for Canada. Some examples of legal authorities that you can set up include: Canada Revenue Agency, Revenu Québec, Workplace Safety and Insurance Board, Ministry of Finance, and so on.

Legal Addresses and Locations

A legal address is the address of record for an entity. For example, the legal address of a legal authority is used in communications with that authority. No legal addresses are predefined for Canada. Create legal addresses for all organizational units of the enterprise. Create legal addresses before creating legal entities.

Use the Manage Legal Address task to create legal addresses. For each address you create, select Canada as the country so that the Canadian address style is used.

The Census Metropolitan Area (CMA) code is used to identify a location area for Employment Equity reporting. Use the Manage Locations task to create a location. If you submit Employment Equity reports, in the Canada Employment Equity Interface Rules section, select the Census Metropolitan Area for this location.

Legal Entities, Legal Employers, and Payroll Statutory Units

Once you have completed the tasks mentioned above, you can create legal entities. When defining a legal entity, consider the context in which the legal entity is used:

- Define legal employers in an HCM implementation,.
- Define a legal entity as a legal employer and a payroll statutory unit (PSU), thus sharing the legal responsibilities of employment and payroll calculations and reporting.
- If multiple legal employers are grouped together for tax reporting purposes, you can associate all of them with a single PSU. If legal employers don't report together, they must not share a PSU.

No legal entities are predefined for Canada. You must create all legal entities that apply to the enterprise you're setting up. The North American Industry Classification Systems (NAICS) code is used for Employment Equity Reporting. You can specify the code while creating a legal entity.

Use the Manage Legal Entities task to create legal entities.

The Provincial Medical Carrier, the agency that administers provincial medical for the province, is predefined in the application. Use the Manage Legal Entity HCM Information task in the Setup and Maintenance work area to define the Provincial Medical Account details at the PSU level. Define the thresholds and rates to calculate the liability for the account at the PSU level.

The Workers' Compensation Boards for each province are predefined in the application. Use the Manage Legal Entity HCM Information task in the Setup and Maintenance work area to define the Workers' Compensation Account details. Define the Workers' Compensation Account and the Workers' Compensation Classification Unit information at the PSU level.

Tax Reporting Units

The application automatically creates the default tax reporting unit (TRU) for a legal entity when the PSU is created. To facilitate electronic submission of year-end reports, the Canadian and Quebec governments assign a transmitter number to an employer. The company can designate one employer account number or Quebec identification number as the transmitter.

A transmitter can file slips for itself or on behalf of other TRUs. The transmitter information is captured at the TRU-level. If a TRU is designated as a transmitter, the information entered in the interface rules is used for year-end reporting to the government. Multiple TRUs with different account numbers can use the same transmitter for submission of reports. Use the Manage Legal Reporting Units HCM Information task to define transmitter information.

The Run Record of Employment Archive process requires the primary contact details entered for the legal reporting unit (LRU) associated with the legal employer. Define the Record of Employment (ROE) contacts on the Manage Contacts page from the Manage Legal Reporting Unit page, while defining the LRU. You can define additional contacts; however, designate the contact to be reported on the ROE, as the primary contact.

Registrations

The application automatically creates the registration with the identifying jurisdiction you select when you create a legal entity. If the legal entity interacts with other legal authorities, create additional registrations as appropriate.

Set up registration information for a LRU or a TRU in the territory where it operates. The registrations defined at the LRU represent the accounts for remitting and reporting statutory deductions and year-end reporting. Register with these institutions, as required:

- Canada Revenue Agency for federal taxes
- Revenu Québec for Quebec taxes
- Northwest Territories for payroll tax
- Nunavut for payroll tax

Use the Manage Legal Entity Registrations task to set up registrations for legal entities.

Legal Entities

Define Legal Entities

This topic demonstrates how you can define and set up a legal entity for Canada.

Setting up a legal entity for Canada includes defining the following:

- A legal entity
- Legal entity registrations
- Legal entity HCM information
- Workers' Compensation information
- Provincial Medical information

Before You Begin

Before you define a legal entity, you must:

1. Define a legislative data group (LDG) for Canada using the Manage Legislative Data Groups task. The Manage Legal Entities task automatically creates the LDG for you and associates it with the PSU. If you have already defined an LDG, you can manually associate it with the PSU.
2. Use the Manage Legal Addresses task to define a legal address for the legal entity you're about to define.
3. Define the required jurisdictions for the legal entity you're about to define.

How to Create a Legal Entity

To create a legal entity:

1. In the Setup and Maintenance work area, go to the following:
    - Offering: Workforce Deployment
    - Functional Area: Legal Structures

- Task: Define Legal Entities for Human Capital Management

Expand the task to display a list of related tasks.

2. Click the **Select Scope** link for the Manage Legal Entities task.
3. On the Select Scope window, select **Create New** in the Legal Entity field.
4. Click **Apply and Go to Task**.
5. On the Manage Legal Entities page, click **Create**.
6. On the Create Legal Entity page, complete the fields as appropriate for this entity, noting the following:
   - Select **Canada** in the Country field.
   - Enter the Canada Revenue Agency Employer Account Number in the Legal Entity Identifier field.
   - Select the **Legal Employer** check box.
   - If this entity is also a payroll statutory unit (PSU), select the **Payroll Statutory Unit** option. If this entity belongs to an existing PSU, select a PSU from the Payroll Statutory Unit field.
   - The type of registration information required is based on the Registration Code Assignment information you defined when you created the selected jurisdiction. For example, for the jurisdiction of Canada Federal Tax, enter the Employer Account Number assigned by the Canada Revenue Agency. Enter the number in both the Legal Entity Registration Number field and the Employer Account Number field.

     > **Note:** When you enter the Employer Account Number, ensure that there are no spaces between the numbers and the two letters in the number. An example of the format is 123456789RP0001.

7. Click **Save and Close**.

How to Define Legal Entity Registrations

Before you create the registrations for the legal entity you have created, set the scope for the tasks related to the legal entity.

> **Note:** If the scope is already set for the task, the Scope column displays the legal entity name.

To set the scope and define the legal entity registration:

1. Set the scope for this task as follows:
   a. In the Setup and Maintenance work area, go to the following:
      - Offering: Workforce Deployment
      - Functional Area: Legal Structures
      - Task: Define Legal Entities for Human Capital Management

      Expand the task to display a list of related tasks.
   b. Click the **Select Scope** link for the Manage Legal Entity Registrations task.
   c. On the Select Scope window, select **Manage Legal Entity** and then **Select and Add** in the Legal Entity field.
   d. Click **Apply and Go to Task**.
   e. In the Select and Add: Legal Entity page, search for and select the legal entity you just created.
   f. Click **Save and Close**.

   The Scope column on the task list page displays the legal entity you selected as the scope for those tasks related to the legal entity.

2. Click **Go to Task** for the Manage Legal Entity Registrations task.
3. Click **Create**.
4. On the Create Registration page, enter the required information noting the following:
    - When you select a jurisdiction, the Territory field is populated automatically. For example, if you select Quebec Provincial Tax, the territory is shown as Quebec.
    - The Issuing Legal Authority field displays a list of all legal authorities associated with the selected jurisdiction.
    - The Registered Address field displays a list of all predefined legal addresses.
    - Enter the **Legal Entity Registration Number**. For example, for the jurisdiction of Quebec Provincial Tax, enter the Quebec Identification Number assigned by Revenu Québec in the Legal Entity Registration Number field. An example of the format is 1234567890RS0001.
5. Click **Save and Close**.

How to Define Legal Entity HCM Information

To define HCM information for the legal entities you have created:

1. In the Setup and Maintenance work area, go to the following:
    - Offering: Workforce Deployment
    - Functional Area: Legal Structures
    - Task: Define Legal Entities for Human Capital Management

    Expand the task to display a list of related tasks.
2. Click the **Select Scope** link for the Manage Legal Entity HCM Information task. Set the scope for this task as given in the previous task.
3. Click *Go to Task* for the Manage Legal Entity HCM Information task.
4. Click **Edit**, and then select **Correct**.
5. If the legal entity is an employer, complete the fields on the Legal Employer tab.
    - Select the wanted Employment Model. Canada supports all delivered employment models.
6. To submit Employment Equity information, click **Federal Legal Employer Information**.
    - Select the **NAICS Code** from the list of values for this legal entity.
7. If this entity is a payroll statutory unit, select the **Payroll Statutory Unit** tab.
8. Click **Payroll Statutory Unit Details**.
9. Enter the **Fiscal Year Start Date**, and select the **Associated Legislative Data Group**.

    You must associate the legislative data group at the PSU level.

How to Define Workers' Compensation Details

To define Workers' Compensation details:

1. Click the name of a province, say Ontario, to view and capture Workers' Compensation information.
2. Click **Add Row** to enter Workers' Compensation information.
3. Enter the **Account Number** and **Account Name** associated with the Workers' Compensation Board of the province.
4. Select the **Default Account** check box if this is the default account for the province or board.

    Only one account per province can be set as the default.

5. Enter the **Classification Unit** and the **Classification Unit Description**.
6. Enter the workers' compensation **Rate**.

   > **Note:** A classification unit can't have two different rates for the same province. If a province has two different rates, define two different classification units.

7. Select the **Default Rate** check box.
   Only one rate can be set as the default per account.

How to Define Provincial Medical Details

To define Provincial Medical details:

1. Click **Add Row** in the Ontario Provincial Medical Account Details section, to enter the provincial medical information.
   Provincial Medical is applicable only to the provinces of British Columbia, Ontario, Manitoba, Newfoundland and Labrador, and Quebec.
2. Enter the **Account Number** and **Account Name** associated with the Provincial Medical Carrier of Ontario.
3. Select the **Default Account** check box if this is the default account for the province or the carrier.
   Only one account per province can be set as the default.
4. Enter the **Starting Annual Payroll** and **Ending Annual Payroll** dates.
5. Enter the provincial medical **Rate**.
   For the province of Quebec, capture only the rate. The account number and name aren't required for Quebec as the provincial medical account number is the Quebec Identification Number (QIN). The payment range details are read-only, with the Starting Annual Payroll set to 0 and the Ending Annual Payroll set to 999,999,999,999.99. The value you enter in the Rate field is used for employer liability calculations.
6. Click **Submit**.

How to Define ROE Occupation Information

Define the job name or position name as the employee's occupation at the Payroll Statutory Unit (PSU) level to specify if the ROE Occupation (Block 13) reports the employee's job or position..

To enter the ROE occupation information, access the Payroll Statutory Unit Details region using the Manage Legal Entity HCM Information task located in the Setup and Maintenance work area. Select Job Name or Position Name from the list of values for the **Record of Employment Occupation** field in the **Record of Employment Occupation** section. If a selection isn't made, the job name is reported.

Legal Reporting Units

Define Legal Reporting Units

This topic demonstrates how you can define and set up a legal reporting unit (LRU) for Canada.

To define an LRU for HCM, you must:

- Create an LRU

- Define the LRU registrations
- Define the LRU HCM information

Before You Begin

Before you define an LRU, you must:

- Define a Canadian legal entity to which this LRU belongs.
- Use the Manage Legal Addresses task to define a legal address for the LRU you're about to define.
- Define the required jurisdictions for the LRU you're about to define.

How to Create a Legal Reporting Unit

1. In the Setup and Maintenance work area, go to the following:
    - Offering: Workforce Deployment
    - Functional Area: Legal Structures
    - Task: Define Legal Reporting Units for Human Capital Management

    Expand the task to display a list of related tasks.
2. Click the **Select Scope** link for the Define Legal Reporting Units for Human Capital Management task.
3. On the Select Scope window, select the **Manage Legal Reporting Unit** and select **Create New** in the Legal Reporting Unit field.
4. Click **Apply and Go to Task**.

    An LRU with the same name as the previously created legal entity is created by default. This LRU is designated as the main legal reporting unit for the legal entity.
5. To create a second legal reporting unit for this legal entity, click **Create** on the Manage Legal Reporting Units page.
6. Complete the fields on the Legal Reporting Unit page, noting the following:
    - When you select a territory, the Jurisdiction field displays the identifying jurisdiction, such as Canada Federal Tax. If you have defined additional jurisdictions, you can select one from the list.
    - Indicate whether this is the main legal reporting unit for this legal entity.
7. Click **Save and Close**.

How to Define Legal Reporting Unit Registrations

Set up registration information for an LRU or a tax reporting unit (TRU) in the territory where it operates. The application automatically creates the registration with the identifying jurisdiction you select when you create a legal entity. The registrations defined at the LRU-level represent the accounts for remitting and reporting statutory deductions and year-end reporting. If the legal entity interacts with other legal authorities, you must create additional registrations as appropriate.

Before you create the registrations for the legal reporting unit you have created, you must set the scope for the tasks related to the LRU.

> **Note:** If the scope is already set for the task, the Scope column displays the LRU name.

To set the scope and define the LRU registration:

1. Set the scope for this task as follows:
    a. Click the **Select Scope** link for the Manage Legal Reporting Unit Registrations task.
    b. On the Select Scope window, select the **Manage Legal Reporting Unit** and select **Select and Add** in the Legal Reporting Unit field.
    c. Click **Apply and Go to Task**.
    d. On the Select and Add: Legal Reporting Unit page, search and select the legal reporting unit you have just created and click **Save and Close**.

    The Scope column on the task list page should now display the selected LRU as the scope for those tasks related to the LRU.
2. Select **Go to Task** for the Manage Legal Reporting Unit Registrations task.
3. Click **Create**.
4. Enter the required information on the Create Registration page, noting the following:
    - When you select a jurisdiction, the Territory field is populated automatically. For example, if you select Quebec Provincial Tax, the territory is shown as Quebec.
    - The Issuing Legal Authority field displays a list of all legal authorities associated with the selected jurisdiction.
    - The Registered Address field displays a list of all predefined legal addresses.
    - Enter the **Legal Entity Registration Number**. For example, for the jurisdiction of Quebec Provincial Tax, enter the Quebec Identification Number assigned by Revenu Québec in the Legal Entity Registration Number field. An example of the format is 1234567890RS0001.
5. Click **Save and Close**.

How to Define Legal Reporting Unit HCM Information

To define HCM information for the legal reporting unit you have created:

1. Click the **Select Scope** link for the Manage Legal Reporting Unit HCM Information task. Set the scope for this task as given in the previous task.
2. Select **Go to Task** for the Manage Legal Reporting Unit HCM Information task.
3. On the Manage Legal Reporting Unit HCM Information: Legal Reporting Unit Classification page, select the **Tax Reporting Unit** check box.
4. Select the **Tax Reporting Unit Details** tab.
5. Select **Edit-Update**.
6. Select the **Tax Reporting Unit Type** and the **Associated Legal Employer**.

> **Note:** Select the Associated Legal Employer, only if you have created additional TRUs other than the main TRU. You must associate a Legal Employer to each of the additional TRUs.

7. Select **Federal Tax Reporting Unit Information**. The application uses this data to generate the electronic file that's submitted to the government.
8. For both the T4 and T4A Interface Rules, indicate if the TRU is registered as a transmitter with the Canada Revenue Agency (CRA).

9. If the TRU is selected as the transmitter, enter the transmitter information.

   Enter these details for defining transmitters for the T4 and T4A Interface Rules.

Field Name	Field Value
Transmitter TRU	Select **Yes** if the TRU is registered as a transmitter with the CRA.
Transmitter Name	Enter the name registered with the CRA. **Note:** This list contains transmitters that already exist. If the desired transmitter name isn't yet available for selection, you must first create the transmitter TRU. After it's saved, you can select that name here.
Transmitter Number	Enter the number assigned by the CRA to report the taxes and wages. The format is MMXXXXXX, where X is a number.
Transmitter Type	Select the associated transmitter type from the list.
Transmitter Contact Name	Enter the contact name of the transmitter.
Transmitter Contact Area Code	Enter the contact area code of the transmitter.
Transmitter Contact Phone Number	Enter the contact phone number of the transmitter. Enter only the numbers, without the dashes.
Transmitter Contact Extension Number	Enter the contact extension number of the transmitter.
Transmitter Contact Email	Enter the contact email of the transmitter.
Transmitter Secondary Contact Email	Enter the email for a secondary contact of the transmitter.
Language of Communication	Enter the language of communication of the transmitter.
Transmitter Country	Enter the country of the transmitter.
Transmitter Province	Enter the province of the transmitter.

Field Name	Field Value
Transmitter City	Enter the city of the transmitter.
Transmitter Address Line 1	Enter the address line 1 details of the transmitter.
Transmitter Address Line 2	Enter the address line 2 details of the transmitter.
Transmitter Postal Code	Enter the postal code of the transmitter.
Contact Name for this Return	Enter the contact name of the employer.
Contact Area Code	Enter the contact area code of the employer.
Contact Phone Number	Enter the contact phone number of the employer. Enter only the numbers, without spaces or dashes.
Contact Extension	Enter the contact extension number of the employer.
Proprietor 1 Social Insurance Number	Enter the Social Insurance Number of the proprietor of the business.
Proprietor 2 Social Insurance Number	Enter the Social Insurance Number of the second proprietor, if applicable.

Note: If this TRU isn't a transmitter, select **No** in the Transmitter TRU field. Attach this TRU to a transmitter by selecting the appropriate **Transmitter Name**. Enter the Transmitter Number, the Contact information, and the Proprietor Social Insurance Number details. You needn't enter the rest of the transmitter information for this TRU.

10. Similarly select **Provincial Tax Reporting Unit Information**. This data is used to generate the electronic file that's submitted to the Quebec government.
11. For the RL-1 and RL-2 Interface Rules, indicate if the TRU is registered as a transmitter with Revenu Québec.
12. If the TRU is selected as the transmitter, enter the transmitter information.

Enter these details for defining transmitters for RL-1 and RL-2 Rules.

Field Name	Field Value
Transmitter TRU	Select **Yes** if the TRU is registered as a transmitter with Revenu Québec.
Transmitter Name	Enter the name registered with Revenu Québec.

Field Name	Field Value
	Note: This list contains transmitters that already exist. If the desired transmitter name isn't yet available for selection, you must first create the transmitter TRU. After it's saved, you can select that name here.
Transmitter Number	Enter the number assigned by Revenu Québec to report the taxes and wages. The format is NPXXXXXX, where X is a number.
Transmitter Type	Select the associated transmitter type from the list.
Source of RL Slips Used	Select the source of the RL-1 or RL-2 slip used.
Computer Resource Person Name	Enter the contact name of the computer resource person.
Computer Resource Person Area Code	Enter the contact area code of the computer resource person.
Computer Resource Person Phone Number	Enter the contact phone number of the computer resource person. Enter only the numbers, without spaces or dashes.
Computer Resource Person Extension Number	Enter the contact extension number of the computer resource person.
Computer Resource Person Language	Select the language of communication of the computer resource person.
Accounting Resource Person Name	Enter the name of the accounting resource person.
Accounting Resource Person Area Code	Enter the area code of the accounting resource person.
Accounting Resource Person Phone Number	Enter the phone number of the accounting resource person. Enter only the numbers, without spaces or dashes.
Accounting Resource Person Extension Number	Enter the extension number of the accounting resource person.
Accounting Resource Person Language	Enter the language of communication of the accounting resource person.

Field Name	Field Value
Email of the Person Responsible for the File	Enter the contact email of the person responsible for the file.
Desired Language of Communication by Email	Enter the desired language of communication by email.
Transmitter Country	Enter the country of the transmitter.
Transmitter Province	Enter the province of the transmitter.
Transmitter City	Enter the city of the transmitter.
Transmitter Address Line 1	Enter the address line 1 details of the transmitter.
Transmitter Address Line 2	Enter the address line 2 details of the transmitter.
Transmitter Postal Code	Enter the postal code of the transmitter.
Starting RL Slip Number	Enter the starting RL slip number provided by Revenu Québec.
Ending RL Slip Number	Enter the ending RL slip number provided by Revenu Québec.

Note: If this TRU isn't a transmitter, select **No** in the Transmitter TRU field. Attach this TRU to a transmitter by selecting an appropriate **Transmitter Name** and enter the **Transmitter Number**. You need not enter the transmitter information for this TRU.

13. Click **Submit**, **Yes**, **OK**, and then click **Done**.

Define Legal Reporting Unit Contacts

The Record of Employment Archive process requires the primary ROE contact details you define for the LRU.

Use the Manage Legal Reporting Units for Human Capital Management task in the Setup and Maintenance work area to define LRU contact details.

You must also select the preferred language for the ROE contact. The language you select for the ROE contact is reported in Block 20 in the ROE worksheet and the ROE interface.

Before You Begin

Before you define the LRU contact details you must:

- Define a Canadian legal entity to which this LRU belongs.
- Define a legal address for the LRU for which you're defining the contacts.
- Define an LRU for which you're defining the contacts.

How to Create an LRU ROE Contact

To define the LRU ROE contact and select the preferred language:

1. Set the scope for this task as follows:
    a. In the Setup and Maintenance work area, do the following:
        - Offering: Workforce Deployment
        - Functional Area: Legal Structures
        - Task: Manage Legal Reporting Units for Human Capital Management

       Expand the entry to display a list of related tasks.
    b. Click **Select Scope** for the Manage Legal Reporting Unit task.
    c. On the Selected Scope window, select **Search Legal Reporting Units**.
    d. Select the **Legal Entity** and the **Legal Reporting Unit**.
    e. Click **Apply and Go to Task**.
2. On the Manage Legal Reporting Unit page, select the LRU name row, and click **Contact**.
3. On the Manage Contacts page, click **Create Contact**.
4. Enter the **Role**, **First Name**, **Last Name**, and the **From Date**. The From Date is the first date this person became a contact.
5. In the Contact Points tab, enter the phone details of the contact person.
6. Select the **Contact Roles** tab, and select **Record of employment contact** in the Legal Role field.

   If you define multiple contacts, you must identify one as the primary. To override the ROE contact information, you must set the contact person you want to include in the archive information, as primary.
7. Select the **Additional Identifiers** tab on the Manage Contacts page.
8. Select **Preferred Language** in the **Identifier Type** field, and enter one of the following values:
    - *F* or *f* for Canadian French
    - *E* or *e* for English
9. Click **Save and Close**.

How to Correct the ROE Contact

To change the ROE Contact, use the Contact icon on the Manage Legal Reporting Units page and select another contact.

Examples of Legal Reporting Unit Registrations

For Canada, tax registrations are done at the legal reporting unit (LRU) or tax reporting unit (TRU) level. The following examples illustrate how you can override the registration information.

The registration information is set up for the parent legal entity to which the LRU or the TRU belongs.

1. Set the scope for this task as follows:
    a. In the Setup and Maintenance work area, do the following:
        - Offering: Workforce Deployment
        - Functional Area: Legal Structures
        - Task: Manage Legal Reporting Units for Human Capital Management

       Expand the entry to display a list of related tasks.
    b. Click the **Select Scope** link for the Manage Legal Reporting Units for Human Capital Management task.
    c. On the Select Scope window, select the Legal Entity and select **Select and Add** in the Legal Reporting Unit field.
    d. Click **Apply and Go to Task**.
    e. On the Select and Add: Legal Reporting Unit page, search and select the legal reporting unit and click **Save and Close**.
2. Select **Go to Task** for the Manage Legal Reporting Unit Registrations task.
3. Click **Create**.
4. On the Create Registration page, enter the required information as given in the examples below.

Federal Registration Setup

1. Select **Canada Federal Tax** as the Jurisdiction.
2. Select **Registered Address** from the list of values.
3. Enter the LRU name in the **Registered Name** field. If you have multiple LRUs, enter a name that distinguishes them in the **Alternate Name** field.

   The Alternate Name you provide is the name you register with Canada Revenue Agency and it is reported as the employer name in the year end slips.
4. Enter the number under which to remit statutory deductions in the Legal Entity Registration Number field. This number is assigned by the Canada Revenue Agency. The remaining fields are optional.
5. Click **Save**.

Quebec Registration Setup

1. Select **Quebec Provincial Tax** as the Jurisdiction.
2. Select **Registered Address** from the list of values.
3. Enter the LRU name in the **Registered Name** field. If you have multiple LRUs, enter a name that distinguishes them in the **Alternate Name** field.

   The name you register with Revenu Québec is the name you enter as the alternate name. This name is reported as the employer name in the year end slips.
4. Enter the number under which to remit statutory deductions in the **Quebec Identification Number**. This number is assigned by Revenu Québec. The remaining fields are optional.

5. Click **Save**.

Northwest Territories Payroll Tax Registration Setup

1. Select **Northwest Territories Payroll Tax** as the Jurisdiction.
2. Select Registered Address from the list of values.
3. Enter the name registered with Northwest Territories Department of Finance as the company name in the Registered Name field.
4. Enter the number under which to remit the Northwest Territories Payroll Tax in the Legal Entity Registration Number. This number is assigned by Northwest Territories Department of Finance. The remaining fields are optional.
5. Click **Save**.

Alberta Workers' Compensation Registration Setup

1. Select **Alberta Workers Compensation** as the Jurisdiction.
2. Select **Registered Address** from the list of values.
3. Enter the name registered with the Workers' Compensation Board as the company name in the Registered Name field.
4. Enter the number under which to remit Workers' Compensation premiums in the Legal Entity Registration Number. This number is assigned by the Workers' Compensation Board. The remaining fields are optional.
5. Click **Save**.

Jurisdictions and Legal Authorities

Jurisdictions

A jurisdiction represents a physical territory, such as a country, province, or city, where a particular piece of legislation applies.

You must set up jurisdictions before you create registrations, because a jurisdiction is required in the registration process. The jurisdiction has a start date and end date to show when the jurisdiction is effective and when you can register against the jurisdiction.

A tax jurisdiction is a geographic area where a tax is levied by a specific tax authority. You must set up at least one tax jurisdiction for a tax before you can make the tax available for payroll transactions.

Jurisdictions

Canada Federal Tax, Canada Income Tax, and Quebec Provincial Tax are predefined jurisdictions. Canada Federal Tax is set as the identifying jurisdiction. Canada Income Tax is predefined by the Financials and is used outside of HCM. The other two jurisdictions are predefined by the Canada legislation team.

Identifying Jurisdiction

The identifying jurisdiction is usually the first jurisdiction that the legal entity must register with, to be recognized in its territory. The registration to the identifying jurisdiction of the legal entity territory is called the identifying registration.

This table lists the other jurisdictions that have been identified for Canada and the type of taxes they use. You can define other jurisdictions as required, depending on the provinces that you operate in.

Jurisdiction	Territory	Legislative Category	Purpose
Canada Federal Tax	Canada	Federal	Canada Pension Plan
Canada Federal Tax	Canada	Federal	Employment Insurance
Canada Federal Tax	Canada	Federal	Federal Tax
Quebec Provincial Tax	Quebec	Provincial Tax	Quebec Pension Plan
Quebec Provincial Tax	Quebec	Provincial Tax	Quebec Parental Insurance Plan
Quebec Provincial Tax	Quebec	Provincial Tax	Provincial Tax
Northwest Territories Payroll Tax	Northwest Territories	Income Tax	Payroll Tax
Nunavut Payroll Tax	Nunavut	Income Tax	Payroll Tax
British Columbia Workers' Compensation	British Columbia	Workers' Compensation	Workers' Compensation
Alberta Workers' Compensation	Alberta	Workers' Compensation	Workers' Compensation
Saskatchewan Workers' Compensation	Saskatchewan	Workers' Compensation	Workers' Compensation
Manitoba Workers' Compensation	Manitoba	Workers' Compensation	Workers' Compensation
Ontario Workers' Compensation	Ontario	Workers' Compensation	Workers' Compensation
Quebec Workers' Compensation	Quebec	Workers' Compensation	Workers' Compensation
Newfoundland and Labrador Workers' Compensation	Newfoundland and Labrador	Workers' Compensation	Workers' Compensation
New Brunswick Workers' Compensation	New Brunswick	Workers' Compensation	Workers' Compensation
Nova Scotia Workers' Compensation	Nova Scotia	Workers' Compensation	Workers' Compensation
Prince Edward Island Workers' Compensation	Prince Edward Island	Workers' Compensation	Workers' Compensation

Jurisdiction	Territory	Legislative Category	Purpose
Yukon Workers' Compensation	Yukon	Workers' Compensation	Workers' Compensation
Northwest Territories Workers' Compensation	Northwest Territories	Workers' Compensation	Workers' Compensation
Nunavut Workers' Compensation	Nunavut	Workers' Compensation	Workers' Compensation
British Columbia Medical	BC (British Columbia)	Provincial Medical	Provincial Medical
Ontario Medical	Ontario	Provincial Medical	Provincial Medical
Quebec Medical	Quebec	Provincial Medical	Provincial Medical
Manitoba Medical	Manitoba	Provincial Medical	Provincial Medical
Newfoundland and Labrador Medical	Newfoundland and Labrador	Provincial Medical	Provincial Medical

Workers' Compensation

Workers' Compensation is an employer liability, calculated as a percentage of the assessable earnings and is subject to an annual maximum per employee. The annual maximum assessable value is different for each province and may change on a yearly basis. Certain industries and employees are exempt from this tax.

You can define multiple Workers' Compensation accounts for each province, with different rates for each account. Designate one account as the default account for a province.

Use the province of employment of the employee to determine the default account for the assignment. The liability is calculated under the default account for that province unless you make an override in the assignment record of the employee.

You can also define overrides for Workers' Compensation processing for a person at the job, location, or department.

Provincial Medical

Provincial Medical is an employer liability, used to administer provincial health plans for employees in the provinces of British Columbia, Quebec, Ontario, Manitoba and Newfoundland and Labrador. Different rules exist in each province for calculating the employer liability.

Certain employees are exempt from provincial medical calculations. Provincial medical calculations aren't processed for the exempted employees.

Separate agencies administer the liability for each province, and you can define multiple accounts for each province. Designate one account as the default account for a province.

Use the employee's province of employment to determine the default Provincial Medical account for the assignment. The liability is calculated under the default account for that province unless you make an override entry. You can make an override entry in the employee's assignment record, the department, or location.

Related Topics

Define Quebec Legal Reporting Unit Registration Code

This example demonstrates how you can set up the Quebec Identification Number (QIN) as the Legal Reporting Unit Registration Code.

If you operate in the province of Quebec, the Quebec Provincial Tax jurisdiction must have QIN set up as the Legal Reporting Unit Registration Code. The Quebec Provincial Tax jurisdiction is predefined in the application.

Before You Begin

Before you set up the Quebec Identification Number (QIN) as the Legal Reporting Unit Registration Code you must:

1. A legislative data group is defined for Canada.
2. You have used the Maintain Canadian Geography task to load the province of Quebec.
3. You have employees in the province of Quebec, and you have a valid QIN assigned to you by the Quebec government.

How to Set Up the Legal Reporting Unit Registration Code

1. On the Manage Legal Jurisdictions page, select **QC** (territory code for Quebec) in the Territory field and click **Search**.
2. Select the Quebec Provincial Tax row in the search results. Complete the fields in the Edit Legal Jurisdiction page as given in the table below:

Field	Value
Legal Entity Registration Code	Legal Entity Registration Number
Legal Reporting Unit Registration Code	Quebec Identification Number

3. Click **Save and Close**.

Define Legal Authorities

A legal authority is a government or legal body charged with powers to make laws, levy and collect fees and taxes, and remit financial appropriations for a given jurisdiction. Use the Manage Legal Authorities task to create legal authorities.

It is optional to define legal authorities for Canada. Some examples of legal authorities that you can set up for Canada include: Canada Revenue Agency, Revenu Quèbec, Workplace Safety and Insurance Board, Ministry of Finance, and so on.

To define legal authorities:

1. In the Setup and Maintenance work area, do the following:
    - Offering: Workforce Deployment
    - Functional Area: Legal Structures
    - Task: Manage Legal Authorities

    Expand the entry to display a list of related tasks.
2. On the Manage Legal Authorities page, click **Create**.
3. On the Create Legal Authority page:
    - Select the **Tax Authority Type** based on the type of interaction. Typically, this is set to *Collecting and Reporting.*
    - Add one or more addresses.
    - Add one or more legislative categories, such as the predefined Provincial Tax category. This establishes a link between the legal authority and all jurisdictions associated with the selected legislative category.
    - Click **Save and Close**.

Workforce Structures

Create a Location

The first workforce structures to define are the locations where business is conducted or which are of interest to the business. Locations store information about the physical location of a workforce structure and can be assigned to workers to define their physical work location.

Use the Manage Locations task in the Setup and Maintenance work area to create locations. You enter information about a location only once. Subsequently, when you set up other workforce structures you select the location from a list.

To create or manage locations:

1. In the Setup and Maintenance work area, do the following:
    - Offering: Workforce Deployment
    - Functional Area: Legal Structures
    - Task: Manage Locations

    Expand the entry to display a list of related tasks.
2. Select **Go to Task** for the Manage Locations task.
3. Click **Create**.
4. On the Create Location page, provide the required information.

5. In the Legislative Information section, select the **Census Metropolitan Area** of the employee's work location, under the Canada Employment Equity Interface Rules section. This information is used for Employment Equity reporting.
6. Select the **Workers Compensation Payroll Statutory Unit** and the **Workers Compensation Classification Unit Override** to override the default rate specified at the PSU level.
7. Select the **Provincial Medical Payroll Statutory Unit** and the **Provincial Medical Account Override** to override the default rate specified at the PSU level.
8. Click **Submit**.

Related Topics

Create a Department

A department is a division of a business enterprise dealing with a particular area or activity. You can assign workers to departments.

Use the Manage Departments task in the implementation task list to create departments. You can set up the overrides for workers compensation and provincial medical calculations for a department.

To create departments:

1. In the Setup and Maintenance work area, do the following:
    - Offering: Workforce Deployment
    - Functional Area: Legal Structures
    - Task: Manage Departments

    Expand the entry to display a list of related tasks.
2. Select **Go to Task** for the Manage Departments task.
3. Click **Create**. On the Create Department page, provide the required information.

    Every time you associate this department to another entity, such as a worker, the location you select here connects to that entity by default.
4. Select the **Department Details** tab. You can enter the Workers Compensation override details for this department, in the Canada Workers Compensation Department Information section.
5. Select the **Workers Compensation Province Override** and the **Workers Compensation Classification Unit Override**.

    > **Note:** When defining overrides at the department-level, you must specify the province override first, as this presents classification units specific to that province.

6. You can enter the Provincial Medical override details for this department, in the Canada Provincial Medical Department Information section.
7. Select the **Provincial Medical Payroll Statutory Unit**, **Provincial Medical Province**, and **Provincial Medical Account Override**.
8. Click **Submit**.

Create a Job

A job defines a set of roles or duties that are linked to a worker. Create the job codes that are suited for its organization.

Use the Manage Jobs task in the implementation project task list to create jobs.

To create a job:

1. In the Setup and Maintenance work area, do the following:
    - Offering: Workforce Deployment
    - Functional Area: Legal Structures
    - Task: Manage Jobs

    Expand the entry to display a list of related tasks.
2. Select **Go to Task** for the Manage Job task.
3. Click **Create**.
4. On the Create Job page, provide the required information.
5. Click **Next** to enter job details.
6. Under the Canada Job Information section, select an **EEOG** and **NOC Code** for this job.

    Employment Equity Occupational Groups (EEOGs) are job categories arranged in an hierarchical fashion based on groupings of National Occupational Classification (NOC) codes created by Statistics Canada. This information is required for Employment Equity reporting.

    You can enter the Workers' Compensation override details for this job, in the Canada Workers' Compensation Job Information section.
7. Select the **Workers' Compensation Province Override** and **Workers' Compensation Classification Unit Override**.

    > **Note:** When defining overrides at the job-level, you must specify the province override first, as this presents classification units specific to that province.

8. Click **Submit**.

Related Topics

Geography Information

View and Edit Geography Information

Use the Manage Geographies task to view and edit the information.

Follow these steps to verify geographies:

1. In the Setup and Maintenance work area, go to the following:

- Offering: Workforce Deployment
- Functional Area: Canadian Payroll
- Task: Manage Geographies

2. In the Country Name field, type **Canada**, and click **Search**.
3. Select **Manage Geography Hierarchy** from the Action menu. The Manage Geography table displays rows for all Canadian provinces.
4. Expand each entry to view the subordinate entries, such as the cities and postal codes.
5. Click an entry's link to view its geocode information in read-only mode.
6. Highlight an entry's row, and click **Edit** to make manual changes to its geocode information.
7. Click **Save and Close** when done.

Manage Geography Information

This topic describes how you can use the Manage Geographies task in the implementation project checklist and perform the following to manage geography information for Canada:

- Define Address Style Format Mapping
- View Geocode Information
- Add a Geography manually
- Add Missing Postal Codes

How to Define Address Style Format Mapping

Payroll implementations must update the Geography Mapping fields for the following formats:

- Canadian Postal Address Format
- Canadian Tax Address Format

To set your geography validation:

1. Select **Go to Task** for the Manage Geographies task in the implementation project checklist.
2. On the Manage Geographies page, enter CA in the **Country Code** field and click **Search** to view the predefined Canadian geography setup.
3. Select **Manage Geography Validation** from the Actions menu.
4. Select Canadian Postal Address Format in the **Address Style Format** field.
5. In the Geography Mapping and Validation section, select or deselect the **Enable List of Values** check box as appropriate for each geography type.

> **Note:** Tax and geography validations aren't used by Oracle HCM applications, so don't use the Tax Validation and Geography Validation check boxes. You can also ignore the fields in the Geography Validation Control section.

6. Verify the information and make any necessary changes, then click **Save and Close**.

You can repeat the process for the Canadian Tax Address Format.

How to View Geocode Information

A geocode is a nine-digit numeric code used to identify specific legal jurisdictions accurately. All Canadian provinces and territories and all Canadian cities with a population of over 250 must have a valid geocode.

To view the geocode for a particular geography:

1. Select **Go to Task** for the Manage Geographies task in the implementation project checklist.
2. On the Manage Geographies page, enter CA in the **Country Code** field and click **Search** to view the predefined Canadian geography setup.
3. Select **Manage Geography Hierarchy** from the Actions menu.
4. Expand a province folder to view the details of the province.
5. Double-click the appropriate geography name to see the tax geography code.

How to Manually Add a Geography

You may have to manually update your geography information, in rare cases where your geography data is inaccurate or outdated.

Here's how you can add the city of Calgary in the province of Alberta (AB). Similarly you can add any other geography data, for example, postal codes.

To manually update a geography:

1. Select **Go to Task** for the Manage Geographies task in the implementation project checklist.
2. On the Manage Geographies page, enter CA in the **Country Code** field and click **Search** to view the predefined Canadian geography setup.
3. Select **Manage Geography Hierarchy** from the Actions menu.
4. Expand the AB province folder to view the list of cities. You notice that Calgary isn't in the list.
5. Select the AB city row in the hierarchy, and click **Create**.
6. In the Primary and Alternative Names section of the Create City page, click **Create**.
7. Enter these details.

Field	Value
Name	Calgary
Data Provider	User entered
Language	American English

8. Click **Save**.
9. In the Primary and Alternative Codes section of the Create City page, click **Create**.
10. Enter these details.

Field	Value
Code	Enter the geocode for the city.

Field	Value
	Note: The geocode you provide must be unique within the province.
Data Provider	User entered
Language	American English
Code Type	Select Tax geography code

11. Click **Save and Close**.

How to Add Missing Postal Codes

Add postal codes for employees who chose to use post office box addresses instead of a civic address.

To add a postal code:

1. Select **Go to Task** for the Manage Geographies task in the implementation project checklist.
2. On the Manage Geographies page, enter CA in the **Country Code** field and click **Search** to view the predefined Canadian geography setup.
3. Click the **Hierarchy Defined** tab.
4. Select a province and a city to add the postal code to and click **Create**.
5. Enter the postal code under the Primary and Alternate Names section.
6. Click **Save** or **Save and Close**.

The postal code is now available for selection.

Change Primary Display of Province Names

This topic describes how you can change the primary display of province name in the user interfaces where province field is displayed. You can change the primary display to the full province name instead of the two-character province abbreviation.

Use the Manage Geographies task in the implementation project checklist to display the full name of province in the following:

- Employee home address
- Employee work address
- Province of employment on the employee tax card
- Statement of Earnings
- Balance view

- Payroll run results

To change the primary display of province name:

1. Select **Go to Task** for the Manage Geographies task in the implementation project checklist.
2. On the Manage Geographies page, enter CA in the **Country Code** field and click **Search** to view the predefined Canadian geography setup.
3. Select **Manage Geography Hierarchy** from the Actions menu.
4. Select a province code row and select **Action** and then **Edit**.

   By default the Primary field is selected to display the province abbreviation.
5. In the Primary and Alternative Names section, select the row with the province name and select **Actions** and then **Set Primary**.
6. Click **Save and Close**.

Similarly, repeat the above procedure to display the full name for each province.

Tax Information

View Payroll Tax Information

You can view the payroll tax information through the **Calculate Value Definitions** task.

Using this task, you can view the following:

- Federal Basic Personal Amount
- Provincial Basic Personal Amount
- Employment Insurance (EI) Employee Federal Contribution Rate
- EI Employee Quebec Contribution Rate
- EI Maximum Annual Insurable Earnings
- Quebec Parental Insurance Plan (QPIP) Employee Contribution Rate
- QPIP Maximum Annual Insurable Earnings
- Canada Pension Plan (CPP) Contribution Rate
- CPP Maximum Annual Pensionable Earnings
- CPP Basic Exemption
- Quebec Pension Plan (QPP) Contribution Rate
- QPP Maximum Annual Pensionable Earnings
- QPP Basic Exemption

How to View the Basic Personal Amount Information

To view the basic personal amount information:

1. From the Payroll page, start the **Calculate Value Definitions** task.

2. In the Name field, enter the name of a province, for example *Quebec*.
3. Select a Canadian legislative data group (LDG) and enter the **Effective As-of Date**.
4. Click **Search**. The federal and provincial basic exemption amounts for Quebec are displayed.
5. Click a link to view its detailed information.

How to View CPP Information

To view the CPP information:

1. From the Payroll page, start the **Calculate Value Definitions** task.
2. Enter Federal Tax. in the **Value Definition Group** field.
3. Select a Canadian LDG and enter the **Effective As-of Date**.
4. Click **Search**. The Canada Pension Plan Basic Exemption, Canada Pension Plan Maximum Annual Pensionable Earnings, and Canada Pension Plan Contribution Rate are displayed.
5. Click a link to view its detailed information.

Follow the same procedure to view similar information for EI, QPIP, and QPP.

Troubleshoot Tax Issues for Canada

Your payroll implementation teams must run the Maintain Canadian Geography process as part of the initial setup for the implementation project.

Once the geographies are installed, all customers must run the required process, on a quarterly basis, to update their geography data.

How to Troubleshoot Tax Issues

Here's a list of likely issues of the tax information and their solutions.

Problem	Solution
Errors during payroll calculation	Confirm that a tax reporting unit (TRU) is properly associated with the employee's tax card.
Error during payroll calculation that a geography code is missing or primary work address is missing	Edit the federal tax card component on the employee's tax card. Ensure the province and primary work address are populated correctly. These fields are populated by default once the tax card association is created. If the work location is missing for the employee's assignment, these fields aren't populated by default when the tax card association is created. You must then define these fields.
Periodic Archiver doesn't archive any Canada balances	Check that the Canada Federal Tax registration exists for the TRU.
Payroll run produces inaccurate tax calculations	1. Verify the following for the affected employee: • They have a Tax Credit Information calculation card. • It is associated with a TRU. • Their tax and exempt information is correct. 2. Verify the federal and provincial wage basis rules.

Problem	Solution

9 Set Up Payroll Fundamentals

Payroll Business Definitions

Overview

An integral part of the payroll setup is defining payroll business definitions. Use the Define Payroll Business Definitions task in the Define Payroll tasks list to create lookups, value sets, and descriptive flexfields that you need to support payroll.

Lookups

Lookups are lists of values in applications. Use lookups to provide validation or a list of values for a user input field in the user interface. You define a list of values as a lookup type consisting of a set of lookup codes, each code's translated meaning, and optionally a tag. The tags control which countries can have access to the lookup codes being defined. End users see the list of translated meanings as the available values for an object.

The following table contains an example of a lookup type for highest education level (PER_HIGHEST_EDUCATION_LEVEL) for Canada that has lookup codes for users to specify the education level of an employee.

Lookup Code	Meaning	Tag
CA10	High school graduate	+CA
CA20	Associate graduate	+CA
CA30	Bachelor's degree	+CA
CA40	Master's degree	+CA
CA50	Doctoral degree	+CA
CA60	College diploma or certificate	+CA
CA70	CEGEP	+CA
CA80	Other education level	+CA

Consider the following when managing lookups.

- Using lookups in applications

- Configurable levels
- Accessing lookups
- Enabling lookups
- The three kinds of lookups: standard, common, and set enabled

Descriptive Flexfields

Use descriptive flexfields to add customer-defined attributes to business object entities, and define validation for them.

All the business object entities that you can use in the application are enabled for descriptive flexfields. However, configuring descriptive flexfields is an optional task.

Configuring descriptive flexfields involves managing the available flexfields registered with your Oracle Applications Cloud database and configuring their flexfield-level properties, defining and managing descriptive flexfield contexts, and configuring global and context-sensitive segments.

Extensible Flexfields

Extensible flexfields are like descriptive flexfields, with some additional features.

Unlike descriptive flexfields, the columns corresponding to extensible flexfields segments are part of specific tables, separate from the base application table. Unlike descriptive flexfield contexts, the set of attributes in an extensible flexfield context remains constant and doesn't differ by context value.

An extensible flexfield describes an application entity, with the run time ability to expand the database that implementation consultants can use to define the data structure that appears in the application.

Extensible flexfields support one-to-many relationships between the entity and the modified attribute rows.

To get a list of predefined extensible flexfields, open the Setup and Maintenance work area, and use the Manage Extensible Flexfields task.

Consider these aspects to understand extensible flexfields:

- Usages
- Categories
- Pages
- Security
- Protected Extensible Flexfield Data

Value Sets

A value set is a group of valid values that you assign to a flexfield segment to control the values that are stored for business object attributes.

An end user enters a value for an attribute of a business object while using the application. The flexfield validates the value against the set of valid values that you configured as a value set and assigned to the segment.

For example, you can define a required format, such as a five digit number, or a list of valid values, such as green, red, and blue.

Related Topics

Profile Options

Create and Edit Profile Options

Use profile options to manage user preferences and control the general function of applications. For example, you can control user preferences involving language, date, time, currency, and other similar general settings.

Create a profile option and also determine the level at which that profile option takes effect. You can also define the profile values for the profile option. The profile values appear on the Manage Administrator Profile Values page when you select the profile option.

For example, use the **Calculation Card Options** profile option parameter to enable or disable the automatic update of the province of employment. Set the value of the parameter to **CA_HRSYNC**, to automatically update the province of employment on the employee's tax card.

How to Create a Profile Option

To create a profile option:

In the Setup and Maintenance work area, go to the following

1. In the Setup and Maintenance work area, go to the following:
    - Functional Area: Workforce Deployment
    - Tasks: Manage Profile Options
2. On the page, click **Actions** > **New**.
3. On the Create Profile Option page, enter relevant details with specific attention to the following:
    - Use the SQL Validation field to provide an SQL statement that displays the permissible profile values to be used. Use an SQL statement to select the values from another table and display them as a list of values.

      For example, to display the values **Yes** and **No** from a lookup table, you can use the following SQL statement:

      ```
      select MEANING, LOOKUP_CODE from FND_LOOKUPS where LOOKUP_TYPE='YES_NO'
      ```

      As a result, on the **Manage Administrator Profile Values** page, the profile values Yes and No are available for selection for that profile option.
    - Specify a date range to keep the profile option active during that period. Beyond the specified duration, the profile option automatically becomes inactive. If you no longer require the profile option, delete it manually from the **Manage Profile Options** page.
4. Click **Save and Close**.
5. On the Manage Profile Options page, search for the newly created profile option and from the results, select it.

6. In the Profile Option Levels section, enter these details.

Field	What you can do
Enabled	Select the levels at which you want to enable the profile option. **Note:** You can enable a profile option at multiple levels, but a higher-level profile value overrides a lower-level value. Therefore, enable them only at the required levels.
Updatable	Select the profile level to update the privileges of the implementors. Deselect the check box if you don't want the implementors to modify the profile values (they appear in read-only mode).

7. Click **Save and Close**.

To edit a profile option that you created, search for it and edit the necessary details.

Note: While creating and editing profile options and profile categories, you can translate the details to the preferred languages without changing the language session of the application. To specify the translations in all the enabled language rows, use the Translation Editor option. Once the updates are made, users can view the translated text for the specific details.

Related Topics

Pay Frequency

How Pay Frequency Components Work Together

Pay frequency components provide the flexibility to implement complex time-related objects used in payroll definitions, payroll processes, and payroll tasks that use start and end dates.

Pay frequency components work together to provide payroll functionality for your organization. Each component requires its own setup and implementation.

Consolidation Groups

Consolidation groups are used process the results from more than one payroll run in a single action or process the results for one payroll in separate actions. With consolidation groups, produce one set of results per payment method for several payrolls, one set of reports, and one set of costing results. For example, you may submit a regular payroll run and a supplementary payroll run for the same payroll period. If the regular run and supplementary run both belong to the same consolidation group, use a single consolidation group to process all the results for the post-run processing. Optionally, you can enter a different consolidation group for the supplementary payroll run and use it to process the post-run results for the supplementary payroll separately from the regular payroll.

Payroll Definitions

Payroll definitions are essential to your payroll implementation because they indicate the payment frequency and processing schedule. Payroll definitions associate employees with the payroll run through payroll relationships.

Time Definitions

Time definitions can be static periods of unusual length based on a given static date, or they can create dates based on dynamic variables. Specify dynamic variables for a time span, a retrieval date, or a more complex definition type for you to use with a user-defined date. The application uses time definitions in many areas, including payroll periods, payroll employment management, balance dimensions, retroactive and proration events, element start and end dates, and overtime periods.

Run Types

Run types control the elements and payment types you process in a payroll run. Two predefined run types, Regular and Supplemental, group the other run types and determine their processing sequence. The predefined Regular and Supplemental run types include the two component run types described in this table.

Run Type Component	Description
Process Separately	Generates a separate payroll calculation for each element entry marked to process separately. After processing separate processes: • Includes element run results with normal payroll run results in a single payment. • Excludes element run results in regular tax calculation on the normal run, for example, to use supplemental tax rates.
Separate Payment	Creates a separate payment for each element entry marked to pay separately.

For each of the component run types, you can specify payment methods that override the default payment methods for the payroll definition. You can also select the element classifications processed by runs of this type, and exclude specific elements from these classifications.

Related Topics

- Payroll Definitions
- Examples of Using Consolidation Groups

Statutory and Earning Periods

When you create a payroll definition, you generate a payroll earnings calendar based on the first period end date. The calendar assigns each payroll period a period name that includes the period number.

The statutory tax year must coincide with the dates generated for the earnings calendar. The statutory calendar ensures that the payroll run uses the correct period for taxation purposes.

Statutory frequencies are defined in months and weeks and map to the payroll definition frequencies. For example, a biweekly calendar is based on a weekly statutory calendar. A quarterly payroll calendar is based on a monthly statutory calendar. Typically, countries that support semimonthly payroll periods don't use statutory periods.

When you submit a payroll calculation, such as a QuickPay process, you select a payroll period. The calculation uses the process date for the selected payroll period to identify the statutory period. The process date is the payroll run date on the payroll definition.

You can view period numbers and start and end dates on the Person Process Results page and statement of earnings.

Related Topics

FAQs for Pay Frequency

When would I close a payroll period?

Closing a payroll period can prevent changes to recurring entries. Payroll periods aren't like General Ledger periods. Closing payroll periods isn't necessary.

Why can't I find my organization payment method when creating other payroll objects?

When you update an object's organization payment method, you must make the effective start date of the organization payment method on or before the effective date of the change.

For example, to create a payroll definition effective on 4/1/2012 with a default organization payment method, the organization payment method must have an effective start date on or before 4/1/2012. You can only select an organization payment method that has an effective start date on or before the date you're creating or updating the object.

Consolidation Groups

Overview of Consolidation Groups

Use consolidation groups to segregate or combine the results of multiple payroll runs for further downstream processing. You can process the results of more than one payroll run in a single action, or you can process the results of one payroll in separate actions.

For example, suppose you submit a regular payroll run and a supplementary payroll run for the same payroll period. If you use the same consolidation group for the regular run and the supplementary run, you can use the combined results of the regular and supplementary runs for post-run processing. Optionally, you can enter a different consolidation

group for the supplementary payroll run and use it to process the post-run results for the supplementary payroll separately from the regular payroll.

Use consolidation groups to segregate and produce one set of results per payment method for several payrolls, one set of reports, and one set of costing groups. These are runs you make in addition to your regular payroll runs.

A consolidation group is used as an input parameter for a payroll run. There are no predefined consolidation groups. Before you can use a consolidation group in a payroll run, you must create the consolidation group and assign it to a payroll definition.

To create a consolidation group:

1. Select the **Consolidation Groups** quick action under Payroll in **My Client Groups** on your Home page.
2. On the Consolidation Groups page, click **Add Row**.
3. Enter a **Name** for the consolidation group. The application assigns the same value for the consolidation group **Code**.
4. Select a **Legislative Data Group**. Adding the Description is optional, but it's useful to provide
5. Click **Save**.

Use this consolidation set code to identify the consolidation group used for a payroll run or when you load the consolidation group using services or the HCM Data Loader.

Once created, you can't change the consolidation set code. However, the consolidation group name is editable. Any changes made to the consolidation group name, doesn't have any impact on the payroll process, because the process is stamped with the consolidation set code, and hence can be identified by the code for future references.

Related Topics

- Examples of Using Consolidation Groups
- Overview of Combining Payroll Flows

Examples of Using Consolidation Groups

Here are some examples of how you can use consolidation groups.

Post-Run Processing

Consolidation groups facilitate separating or segregating payroll run results for supplemental processing. For most payroll post-run processing, you can use the consolidation group as an input parameter. You may want the results of a supplemental payroll run to be kept separate from those of an already submitted regular payroll run. To use a consolidation group to keep supplemental run results separate from the regular payroll runs:

1. Create a consolidation group to process the supplemental payroll run.
2. Initiate the supplemental payroll run, specifying the new consolidation group as an input parameter.

Separate Costing and Payment

You can use multiple consolidation groups to control processing. For example, you want to process and pay a particular set of employees separately within a single payroll to keep separate records of payment and costing.

To process employees separately:

1. Create payroll relationship groups that restrict the employees.

   You can use rules to identify them dynamically or you can specify the employees by their payroll relationship numbers.
2. Create a consolidation group for each payroll relationship group you have created in the previous step.
3. Run the Calculate Payroll process for each payroll relationship group separately. Specify the new consolidation group for each run separately.
4. Use the original consolidation group to run the Calculate Payroll process in one single action and return a consolidated run result for all the employees.

Purposes of Reporting

You can use consolidation groups for reporting purposes. For example, you may want to run the Periodic Payroll Activity Report for a subset of payrolls.

To process the report for a subset of payrolls:

1. Create a consolidation group to specify the payrolls for which you want to run the report.
2. Run the Periodic Payroll Activity Report, specifying the new consolidation group.

Related Topics

- Consolidation Groups for the US

Payroll Definitions

Overview of Payroll Definitions

Payroll definitions contain calendar and offset information used to determine when you calculate and cost payments. Payroll period types, such as weekly or monthly, determine the interval at which you pay employees.

Use the Payroll Definitions task to specify payment frequency, processing schedule, and other parameters for a particular payroll.

Create at least one payroll definition for each payroll period type you use to pay employees. For example, to pay employees semimonthly, create a payroll definition using the semimonthly payroll period type, ensuring that tax calculations and other calculations produce correct results for those employees.

Create Payroll Definitions

When you create a payroll definition, the application generates the complete payroll schedule based on the payroll period type, the offsets or calendar adjustments, and the number of years that you specify. Each payroll in the schedule is assigned a unique name. Assign employees to payroll definition on the Manage Payroll Relationships page. You can configure the payroll calendar by increments of ten or fewer years. Create a payroll definition to replace one that expired or end-dated.

Each payroll must belong to a consolidation group, which the application requires for processing purposes and a legislative data group so make sure these exist before creating your payroll definition.

Modify Payroll Definitions

When you modify a payroll definition, the application adjusts the payroll schedule based on the values you have modified. Modify an existing payroll definition to increase the number of years and generate more payroll time periods that configure the payroll calendar.

> **Note:** Payroll names in the payroll schedule are unique. You can edit the generated payroll names, but you must ensure they're unique within the payroll definition.

Related Topics

- Create Payroll Definitions
- Overview of Payroll Definitions

Options to Manage Payroll Definitions

When you create or modify payroll definitions, the application generates a calendar of payroll periods based on your selections. The choices you make for these values determine the resulting schedule of payroll periods.

Effective Start Date

The effective start date is the first date that the payroll definition is available for employee data. The start date must be on or before the earliest date of any historical data that you want to load. For example, for a payroll starting on 01-JAN-2013 with five years of historical payroll data to load, you set the start date of the payroll definition to 01-JAN-2008. The effective start date doesn't affect the generated calendar of payroll periods. The start date for the first payroll period is based on the first period end date.

First Period End Date

The first period end date is the end date of the first payroll period that the application generates for a payroll definition. The first period end date is typically based on the date of implementation, tax year, benefits enrollments, or a particular payment cycle. For example, if your weekly payroll work week is Saturday through Friday, and your first payment date is on 06-JAN-2012, you could use 30-DEC-2011 as your first period end date.

Number of Years

The number of years you enter represents how many years of time periods to generate starting from the beginning of the first payroll period, which is determined by the first period end date. This table shows an example for a semimonthly payroll definition.

Effective Start Date	First Period End Date	Number of Years	Generated Time Periods
01-JAN-2014	15-JUN-2014	5	01-JUN-2014 to 31-MAY-2018

Once you save a payroll definition, you can later only increase but not reduce its number of years because a calendar of time periods for the payroll was already generated.

Note: The application generates the calendar of payroll periods in increments of ten or fewer years. For example, if you want a 12-year calendar of payroll periods, you first enter 10 years and submit your changes. Then you set the payroll definition number of years to 12.

Offsets

Depending on the payroll period type, you can elect for your payroll cycle events to occur on specific dates, or to have the application calculate dates based on offsets from period start or end dates.

This table describes the predefined payroll cycle events that you can offset.

Date	Meaning
Cutoff Date	Final date that payroll information is entered for the payroll period.
Payslip Availability Date	Date on which payees can view payslips.
Payroll Run Date	Date used by payroll calculation processes to retrieve effective values such as employee details. The process date, if provided when submitting a payroll process, overrides this value. This date should be the same as the Date Paid date.
Date Earned	Date on which the application processes element entries for the payroll run. The date earned must be within the effective dates of the payroll period.
Date Paid	Date the employee is marked as paid. This should be the same as the Payroll Run Date. For cheque payments, this is the date that the cheque is valid for cash or deposit. For Direct Deposit payments, it's the transfer date.

Dynamic Offsets

When you create a payroll definition, you can use dynamic offsets for payroll cycle events. All of the predefined payroll time periods you can use support dynamically generated dates for offsets. Use dynamic offsets to offset each payroll cycle event by a specified number days before or after the start or end date.

Fixed-Date Offsets

The predefined Monthly (Calendar) payroll time period supports both dynamic offsets and fixed-date offsets. Use fixed date to adjust the exact date of each of the payroll cycle events for the first payroll period. Any adjustments that you make are reflected in the payroll calendar for subsequent payroll time periods. For example, if you set the cutoff date as the 25th of the month, then all payroll periods in the calendar will have those offsets.

Specific Date Adjustments

Once you generate the payroll time periods, you can further adjust any specific calendar dates, as needed. For example, if you know of a particular bank holiday that falls on a payment date, you might want to adjust the dates manually on the payroll calendar's time period. Make these adjustments when you create a payroll definition or any time after then, as long as the time period is in the future. Adjust the dates of an existing time definition on the Time Periods tab on the e Payroll Definitions page.

Create a Payroll Definition

This example demonstrates how to create a payroll definition for the purpose of assigning a payment method to an employee. The employee is associated with one consolidation group and one legislative data group. The payment is for a semimonthly payment frequency.

Before You Begin

Before you begin creating a payroll definition, complete the following:

1. The legislative data group for your payrolls exist, for example, CA LDG.
2. Organization payment methods exist for your payrolls, for example, Canadian Cheque.
3. Create a consolidation group assigned to CA LDG, for example, CA LDG Employee Group.

How to Create a Payroll Definition

To create a payroll definition:

1. In the Search Results section of the Payroll Definitions page, click **Create**.
2. Select the **Legislative Data Group** for this payroll definition, for example CA LDG.
3. Enter 1/1/11 as the **Effective As-of Date**. This is the start date that the payroll is available for use. Click **Continue**.

   In this example, your company hires all employees after the effective start date of this payroll definition, so there is no issue with loading historical employee data.
4. In the Basic Details section, complete the fields as shown in the following table.

Field	Semimonthly Value
Name	CA LDG Employee Semimonthly
Reporting Name	CA LDG Semimonthly
Consolidation Group	CA LDG Employee Group Select an existing consolidation group.
Period Type	Semimonthly
Ledger	Select a Ledger appropriate for this payment.
First Period End Date	8/12/14
Effective Start Date	8/31/15

Field	Semimonthly Value
Default Payment Method	Canadian Cheque Default Payment Method is the payment method that's used if no Personal Payment Method is entered. The Default Payment Method you can select is the payment type of either cheque or cash.

To enter a valid payment method, click **Add Row** in the Valid Payment Methods section, and add one or more organization payment methods that are valid for this payroll. You can select any organization payment method defined for the LDG that's linked to this payroll definition.

5. Click **Next**.
6. On the Payroll Offsets page, in the **Number of Years** field, enter **5**.

> **Note:** The application generates the calendar of payroll periods in increments of 10 or fewer years. For example, if you want a 12-year calendar of payroll periods, you first enter 10 years and submit your changes. Then you edit the payroll definition, setting the number of years to 12.

7. For the semimonthly payroll, use dynamic variables to define offsets as shown in this table, and then click **Next**.

Field	Falls Value	Day Type Value	Offset Value	Base Date Value
Cutoff Date	5	Work Days	Before	Period End Date
Payroll Run Date	3	Work Days	Before	Period End Date

8. On the Payroll Calendar page, adjust payroll days to account for a bank holiday, as shown in this table.

Column	Semimonthly Value	Monthly Value
Payroll Run Date	Old Value: 11/28/13 New Value: 11/27/13	Old Value: 5/27/13 New Value: 5/28/13

9. Click **Next**.
10. Review the details of the payroll definition, and then click **Submit**.

Time Card Required Option

If a worker's pay calculations depend on the worker submitting time cards, you must indicate that a time card is required at the appropriate employment level. Select the Time Card Required checkbox for each assignment level that the requirement applies.

For example, don't select the Time Card Required checkbox for these scenarios:

- A salaried employee completes project time cards for billing purposes, but isn't paid based upon those time entries.
- An hourly employee is normally paid based on a predefined work schedule and only submits a time card for overtime or when absent.

Select the Time Card Required Option

Your role determines where typically you select the Time Card Required checkbox:

- HR specialists can select the checkbox on the **Employment Information** page of the new hire flow.
- Payroll Managers and Payroll Administrators can select the **Payroll Relationship** quick action in the **My Client Groups** tab. The Payment Details section of the Person Details page includes the Time Card Required checkbox on the Assignment sections.

This table shows which hours the payroll process uses for elements with a calculation rule of hours multiplied by rate.

Time Card Required	Hours Used in Calculations
Yes	Time card entries
No	Work schedule, unless you enter hours as element entries

Related Topics

- Payroll Elements for Time Card Attributes
- Create Time Card Elements for Time Entries

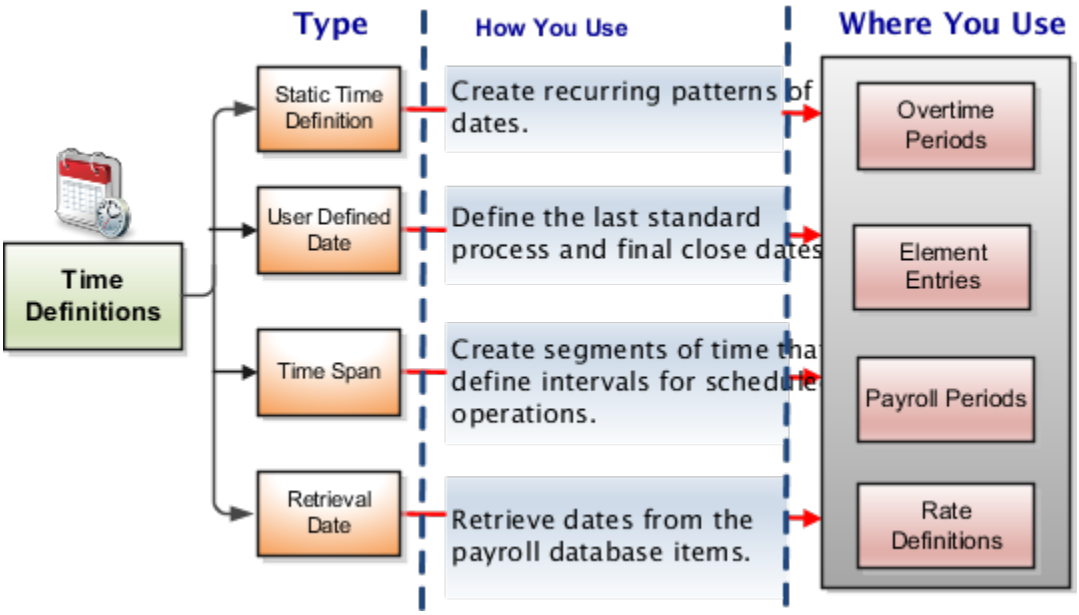
Time Definitions

Overview

A time definition is either a date or a span of time. Time definitions can be static periods of unusual length based on a given static date, or they can generate dates based on dynamic variables.

You can define static definitions using multiple periods, additional adjustments, or both.

This image shows the different types of time definitions and how and where you can use them.



You can use time definitions in many areas, including payroll periods, payroll employment management, balances, retroactive and proration events, earnings start date, and overtime periods.

These sections describe the type of time definitions you can create.

Static Time Definition

Static time definitions create recurring patterns of dates, such as overtime periods. For example, a company's overtime period is a standard five day work week. You can create a static time definition with a weekly frequency that generates time periods for 3 years. Formulas can use these date patterns to allocate earnings within a payroll period.

User-Defined Date Time Definition

Use user-defined date time definitions to define the last standard process and final close dates of the element entries for an employee. The last standard process date is the last date on which the element is considered for normal processing in the payroll run. The final close date is the date from which the element is no longer considered for processing and thus is no longer date-effective.

For example, Vision Corp provides housing allowance to its employees and wants the allowance to end 30 days after the employee is terminated. You define a user-defined date time definition based on the last standard earnings date, which is the termination date plus 30 days.

Time Span Time Definitions

Use time span time definitions to create segments of time that define intervals for scheduled operations, such as payroll frequency. You can use these time definitions within other time definitions.

A company wants to make employee payments on the last day of the month and third-party payments five days later. The company creates a time definition of type time span and uses it when defining the payment method for the payee.

Retrieval Date Time Definitions

Retrieval date time definitions are based on balance fetch operations. Anything that exists in the database of Date format and owned by the payroll application can be used as a trigger.

Let's assume that the rate contributor for the severance rate definition uses a balance as of termination date. You can define a retrieval date time definition based on a database item that retrieves the termination date. You can then use this time definition as the reference date for the balance value in the rate contributor.

Related Topics

- Use Time Definitions for Severance Pay
- How Pay Frequency Components Work Together
- Rate Contributors for Derived Rates
- Example of Loading Time Definitions

Use Time Definitions for Severance Pay

This example illustrates how you can set up a user-defined time definition and as a payroll administrator, how you can associate it with elements so that you can extend the latest entry date for severance payments to employees.

Scenario

The InFusion Corporation makes severance payments, including regular salary, and car allowance. For most terminated employees, these payments should end on the termination date. However, you must be able to make payments for employees who receive severance pay.

Element Duration Dates

When you create an element, you select the latest entry date. The options are predefined time definitions: last standard earnings date, last standard process date, or final close date. Typically, standard earnings elements use the last standard earnings date. However, this option doesn't support severance payments because you can't have a last standard earnings date that's beyond the termination date.

To support severance payments, create a user-defined time definition based on last standard earnings date and select it as the latest entry date for payments after termination. On the payroll relationship record of terminated employees, the value of the user-defined time definition is the termination date by default, but payroll administrators can edit it to make payments for certain employees.

Resulting Setup

To implement a user-defined time definition for this scenario, your implementor must complete the following setup during implementation:

1. Use the **Time Definitions** task under **Payroll** in **My Client Groups** on your Home page, to create a time definition.

   This table lists field names and their respective values for creating a user-defined time definition.

Field	Value
Type	User-defined date

Field	Value
Name	Last Earnings or Severance Date
Short Name	LastEarnSevDate
User-Defined Date	Last Standard Earnings Date
User-Defined Date Usages	Assigned payroll end date Element entry end date Payroll assignment end date Payroll relationship end date Payroll term end date

This creates a time definition based on the last standard earnings date.

2. Use the Elements task to create the Regular Salary, Car Allowance, and Alimony elements.
3. In the Durations area, select **Last Earnings or Severance Date** as the latest entry date for the element.

To extend the payment date for a terminated employee, complete these steps.

1. Use the Payroll Relationships task, and search and select the terminated employee.
2. In the Payroll Details area, select the assignment.
3. In the Element Duration Dates area, in the row for the Last Earnings or Severance Date time definition, change the End Date value to the desired final entry date for payments.

   For example, add 6 months of severance pay for an employee who was terminated effective 20 November 2012. Change the End Date value of the Last Earnings or Severance Date time definition to 21 May 2013.

   The employee's element entries for the Regular Salary, Car Allowance, and Alimony elements end on this date.

Related Topics

10 Set Up Fast Formulas

Formulas

Overview

Fast Formula is a simple way to write formulas using English words and basic mathematical functions. You can use information from your database in formulas without learning the database structure or a programming language.

The **Elements** task generates standard element skip and calculation formulas, and you can modify these formulas based on your requirements. Use the **Fast Formulas** task to use formulas corresponding to one or more formula types, requiring specific formula inputs and outputs.

Uses of formula in payroll include:

- **Control Processing**
  - Payroll flow patterns: Control the repetition of a payroll flow.
  - Element skip: Control when elements are processed in a payroll run.
  - Work or payroll relationship groups: Define a set of people for payroll processing, data entry, or reporting.
- **Configuration**
  - Configure payment method preferences. For example, you can limit the number and types of payment methods.
- **Validation**
  - Element entry validation: Validate one or more element entry values. Provide a default value for an element entry value, or calculate entry values based on the user's entries in other entry values.
  - User table validation: Validate entries in user-defined tables.
- **Calculation**
  - Proration formulas control how payroll runs prorate element entries when they encounter an event such as a mid-period change in an element entry value.
  - Associate more than one payroll formula with each element to perform different processing for employee assignments with different statuses.
- **Data Loading**
  - Transformation formulas convert inbound data into a format that HCM Data Loader understands.

Note: Refer Using Fast Formula guide for more information about the general formula concepts.

Example of Writing a Fast Formula Using Formula Text

In this example, you use the text editor to create a fast formula.

Here are the key decisions when deciding on which formula to create:

Key Decisions	In This Example
Is the formula for a specific legislative data group?	No, this is a global formula that can be used by any legislative data group.
Are there any contexts used in this formula?	No
Are there any database item defaults?	Yes, PER_ASG_JOB_NAME
Are there any input value defaults?	No
What are the return values?	MIN_HOURS, MAX_HOURS, FREQUENCY

Creating a Fast Formula Using the Text Editor to Determine a Manager's Scheduled Hours

1. Search for and select **Fast Formulas** in **My Client Groups**.
2. Click **Create**.
3. Complete these fields:

Fields for the Fast Formula	Values for the Fast Formula
Formula Name	Manager Range of Scheduled Hours
Formula Type	Range of Scheduled Hours
Description	Manager's Range of Hours
Effective Start Date	1-Jan-2010

4. Click **Continue**.
5. Enter these formula details in the Formula Text section:

```
/* DATABASE ITEM DEFAULTS BEGIN */
DEFAULT FOR per_asg_job_name IS ' '
```

```
/* DATABASE ITEM DEFAULTS END */
JOB_1 = PER_ASG_JOB_NAME
IF JOB_1 = 'Manager' then
(MIN_HOURS = 25
MAX_HOURS = 40
FREQUENCY = 'H')
else
(MIN_HOURS = 20
MAX_HOURS = 35
FREQUENCY = 'H')
return MIN_HOURS, MAX_HOURS, FREQUENCY
```

6. Click **Compile**.
7. Click **Save**.

Example of Writing a Fast Formula Using Expression Editor

In this example, you create a fast formula that groups executive workers for reporting and processing. All executive workers are in department EXECT_10000.

After you create the formula, you need to add it to the object group parameters, so that only the workers that belong to the EXECT_10000 department are used in processing.

Here are the key decisions when deciding on which formula to create.

Key Decisions	In This Example
Is the formula for a specific legislative data group?	Yes, InVision
What is the formula type for this formula?	Payroll Relationship Group

Creating a Fast Formula Using the Expression Editor

1. On the Home page, click the **Fast Formulas** quick action under the **My Client Groups** tab.
2. Click **Create**.
3. Complete these fields:

Fields for Fast Formula	Values for Fast Formula
Formula Name	Executive Payroll Relationship Group
Type	Payroll Relationship Group
Description	Executive Workers
Legislative Data Group	Vision LDG

Fields for Fast Formula	Values for Fast Formula
Effective As-of Date	1-Jan-2010
Type of Editor	Expression Builder **Note:** For more complex conditions to create a group, you can select Text. However, after you save the formula, you can't change the type of editor.

4. Click **Continue**.
5. In the Formula Details section, click **Add After** to add a row and complete these fields:

Conjunction	Database Item Name	Data Type	Operand	Literal Value
None applicable	DEPARTMENT	Character	=	'EXECT_10000'
And	SELECT_EMP	Character	=	'YES'

6. Click **Compile**.
7. Click **Save**.

FAQs for Fast Formulas

When do I run the Compile Formula process?

When you create or update multiple fast formulas simultaneously, run the Compile Formula process on the Submit a Process or Report page.

11 Set Up Balances

Balance Definitions

Payroll Balance Definitions

A balance is a positive or negative accumulation of payroll results for an element or group of elements, over a specified period of time.

The balance can be monetary values, time element, such as hours or days worked, or any other numeric value. Every time you run a payroll process, such as, Calculate Payroll or Calculate Gross Earnings, the application updates these values.

Each defined balance holds a value for an individual at one of the two levels of the employment model.

- Payroll relationship
- Assignment

Most of the balances you require are predefined. Depending on your country extension, additional balances are automatically created when you create elements. You can edit the definition of these generated balances, or create additional balances.

For example, the Employer Contributions amount on the Statement of Earnings is fed by elements with a classification of Employer Taxes or Employer Liabilities. Similarly, an employee's Taxable Benefits is fed by elements with a classification of Taxable Benefits.

Balance Name

It's the actual name of the balance, such as, Regular Earnings. You can't have the same name for more than one balance. However, more than one balance can have the same reporting name.

A reporting name is the balance name that reports and payslips display. When multiple balances are created due to differences in setup but need to be reported the same way, you can assign the same reporting name for all of the balances.

Balance Categories

Each balance definition has a predefined balance category for quicker processing. Balance categories are a way of grouping balances so that you can set group attributes. Balance categories are predefined, and you can't create your own balance categories or modify the balance categories. When you create a balance during the implementation phase, associate it to one of the predefined categories.

You can however, create your own localized version of the balance categories you want to use. In the Setup and Maintenance area, use the **Configure Payroll Legislations** task to view the predefined balance categories. Edit the balance category name to include a display name appropriate for your legislation.

Units of Measure

When you create a balance, the predefined units of measure available for selection are Day, Hour (with different combinations of minutes and seconds), Integer, Money, and Number. Match the unit of measure of the balance with the unit of measure of the element input values that feed it.

Balance Contexts

Contexts restrict the run results included in a balance value. Context values are specified as part of the balance dimensions. For example, the REGULAR_ASG_TU_YTD balance is a Regular Earnings balance type with these context values associated in the balance dimension:

- Assignment
- Tax Reporting Unit

All contexts are predefined.

Generated Balances and Database Items

The country extension you select on the Features by Country or Territory page, determines what payroll-related components the element template generates when you create an element. The element template also creates a database item for each balance dimension. You can use the database items in your formulas or HCM extracts to use the value of a balance.

This table explains the components the element template creates, based on your selection of the country extension.

Country Extension	Components Generated by the Element Template
Payroll	When you create an element, the element template creates the element and associated objects, such as input values, formulas, and balances.
Payroll Interface	When you create regular and supplemental earnings elements, the element template creates the element and associated objects, such as input values, formulas, and balances. For all other elements, the template generates no other associated objects.
Human Resources or None	The element template doesn't generate associated objects like formulas, or balances.

Base Balances

You can specify a base balance when there is a dependent relationship between balances for processing and reporting. For example, Taxable Wages could be the base balance for Tax Withheld.

Remuneration

Only one balance in each legislation is predefined as the remuneration balance. This balance generates payments for employees and is predefined for the legislation. For example, a legislation might use Net Pay as the remuneration balance. This calculated balance is the sum of standard earnings and supplemental earnings minus all the deductions calculated for the run.

Related Topics

- Balance Dimensions

Balance Types and Balance Dimensions

A Balance is composed of a balance type and a balance dimension. Each payroll balance can have multiple dimensions. Balance dimensions are predefined and typically combine these components:

- A period of time, such as run, period to date, month to date, and so on
- A level such as a payroll relationship or payroll assignment
- A context such as tax reporting unit (TRU), element, statutory reporting type, or payroll

  You require contexts only for some balances.

For example, a balance titled **Assignment Tax Unit Year to Date** indicates its value is for a given employee's assignment within a particular TRU, for the year to date time period.

Canada has these two types of predefined balances:

- Tax Balances
- Element Balances

Select a province to view the balances for a province. If an employee has balances for multiple provinces, the balances for all provinces combined are displayed if no context is selected for the province.

Tax Balances

Tax balances display the Current, Month to Date, Quarter to Date, and Year to Date values at the payroll relationship, payroll statutory unit (PSU), TRU, and assignment levels. Use the View Person Process Results page to view balances for an employee, by the following:

- Federal or provincial balances
- Employee or employer balances. The default values displayed are employee values.

Element Balances

Element balances display Current, Month to Date, Quarter to Date, and Year to Date values at the payroll relationship, PSU, TRU, or assignment levels. You can view the balances on the View Person Process Results page by the following:

Select the classification of the elements for which you want to view the balances. If you don't select a classification, balances for all the elements classifications are displayed.

Balance Categories

Each balance definition has a predefined balance category for quicker processing. Balance categories are a way of grouping balances so that you can set group attributes.

Balance categories are predefined, and you can't create your own balance categories. You can however, create your own localized version of the balance categories you want to use.

When creating a new balance in the implementation phase, you must associate it to one of the predefined categories. You can't add or modify the balance categories in the implementation phase.

These balance categories are predefined in the application for Canada:

- Absences
- Nonpayroll Payments
- Standard Earnings
- Employer Liabilities
- Employer Taxes
- Hours
- Information
- Involuntary Deductions
- Voluntary Deductions
- Miscellaneous
- Supplemental Earnings
- Employee Tax Deductions
- Taxable Benefits
- Pretax Deductions
- Total Deductions
- Total Nonpayroll Payments
- Total Employer Liabilities
- Total Employer Taxes
- Total Involuntary Deductions
- Total Payments
- Total Pretax Deductions
- Total Supplemental Earnings
- Total Tax Deductions
- Total Taxable Benefits
- Total Voluntary Deductions
- Total Standard Earnings

Balance Contexts

Use contexts to restrict the run results included in a balance value and are specified as part of the dimension. The secondary classifications associated with the primary classifications of earnings and deductions are associated with one of the following year-end reporting types:

- T4_RL1

- T4A_RL1
- T4A_RL2

The reporting type associated with an element's secondary classification determines how that element is used in the payroll calculation and how it's reported at the end of the year. These reporting types are captured on the secondary classification. The statutory reporting types are defined by default for the secondary classifications that are predefined in the payroll application. However, when you create a secondary classification, you must manually create the association to the reporting type.

For the purposes of balance initialization, statutory reporting type is one of the components of the dimension. You can use the Context columns in the Data Loader spreadsheet to define this attribute as follows:

- Context One = Year End Forms
- Context One Value = [Lookup Code]

The Lookup Codes are defined as T4_RL1, T4A_RL1, or T4A_RL2.

Balance Feeds

Balance feeds define the source of the payroll calculation results that contribute to a balance. The source could be input values of specific elements or the entire element classification. For example, the pay values of all earnings types contribute to the Gross Pay balance.

Balance Feeds by Element

Balance feeds by element indicate one or more element input values to add or subtract from a balance. For each balance feed, all input values must use the same unit of measure. For example, you wouldn't mix money and hours in the same balance feed.

Each element and input value can be the primary feed for one balance only. When you create an element, the element template creates this balance and feed automatically.

Balance Feeds by Classification

Balance feeds defined by primary or secondary element classification use the input value that has the special purpose of **Primary Output Value**. The unit of measure of this input value must match the unit of measure of the balance.

If you add a primary classification as a balance feed, you can't add its children from the secondary classifications. For example, if you use the Supplemental Earnings primary classification as a balance feed, you can't also use any other children of Supplemental Earnings. Also, you can't use the secondary classifications in the same balance feed.

Balance Feeds for Initial Balance Loading

You can select elements in the Balance Initialization classification to feed a balance for initialization purposes only. Select one element for each level of the employment hierarchy associated with a dimension that you want to initialize.

Balance Feeds for Year-End Processing

Before you start the end-of-year processing, you must review the balances required for year-end reporting to generate the year end slips. If required, perform balance adjustments and configure balance feeds. You must manually configure feeds for some of the balances reported on the year-end slips.

Primary Balances

When you create an element, the element template creates a balance with a primary feed from the element to accumulate its run results. This is the primary balance for that element.

There are rules that govern primary balances and the input values that feed the balances.

For example, let's assume that Vision Corp has the following defined elements and balances that these elements feed into:

- A Bonus element that generates the Earnings Calculated input value for the Bonus balance. The primary feed for this balance is the Bonus element.
- A Festival Bonus element that's the primary feed for the Festival Bonus balance.
- Both the Bonus element and the Festival Bonus element also feed the Discretionary Earnings balance. These are non-primary feeds.

Normally, a primary balance is only fed by a single input value as it's exclusive to an element. But there are exceptions to this rule. In the above example, let's say a few years later, Vision Corp has a revised compensation policy and defines the additional Bonus_v2 element to include additional input values for sales incentives. The Bonus_v2 element should feed into the same Bonus balance.

The Bonus balance has these two feeds now:

- From the Bonus element, which is the primary feed.
- From the Bonus_v2 element to take care of sales incentives. This is a non-primary feed.

This table explains the rules for the primary balances and the input values that feed the generated balances, for this example.

Rule	In this example
A primary balance can have only one primary balance feed.	The primary balance Bonus can only have a primary feed from the Bonus element, and therefore can't have a primary feed from the Bonus_v2 element.
A primary balance can have a non-primary feed from a different input value, as long as that input value doesn't feed any other primary balance.	Since Bonus_v2 element is assigned as a non-primary feed to primary balance Bonus, it can't have its own primary balance.
An input value can feed only one primary balance.	Since Bonus and Bonus_v2 elements feed a primary balance, example Bonus balance, it can't feed any other primary balance, say Festival Bonus. However, they can feed a non-primary balance like Discretionary Earnings.

Balances in Net-to-Gross Calculations

When you create an earnings element, you can indicate that it pays a person a guaranteed take-home net pay per payroll period, or a bonus of a specified net amount.

Use either or both of these options to control balance feeds.

Enable Inclusion in Net-to-Gross Calculations

Use the Balance Definitions task to view the dimensions that are enabled for inclusion in net-to-gross calculations. You can also view which of the enabled dimensions are included by default for each new net-to-gross earnings element.

To enable a dimension, or enable and include a dimension within a balance definition for net-to-gross processing, select the Enable or Include check boxes, as required, under the Gross-Up Calculation column in the Balance Dimensions section of the Balance Definition page.

Exclude Balances from a Specific Net-to-Gross Earnings Element

If a balance is enabled but not included, you can still use it in the processing of a specific net-to-gross earnings element. Use Balance Feeds on the Elements Overview page while creating the Gross-to-Net Earnings element and review the balances to which the net pay amount or bonus contributes. Use the Gross Balance Exclusions option to add the balance. You can also use this task to exclude balances that are included by default.

Related Topics

- Create a Net-to-Gross Earnings Element
- How Net-to-Gross Earnings are Calculated

Generate Run Balances

The payroll calculation process generates run results and values for all balances. Creating or updating balance definitions and balance feeds can impact balance calculations and stored balance values for run balance dimensions.

Creating or updating balance definitions and balance feeds can impact balance calculations and stored balance values for run balance dimensions. When stored balance values are no longer accurate, the Run Balance Status column on the Balance Definitions task displays the status of the balance dimensions as invalid. Reports and processes continue to obtain accurate values from the summed run results, but summing run results can slow performance.

To improve performance and accuracy, recalculate the invalid balance values for saved run balance dimensions by submitting the Generate Run Balances process.

This topic covers:

- Submit the Generate Run Balances process
- Use Generating Run Balances Examples

Submit the Generate Run Balances Process

Submit the Generate Run Balances process before you submit the payroll run or after you create or update these tasks:

- Balance definition using the Balance Definitions task, for example to add balance feeds or new balance dimensions
- Balance feeds to an element using the Elements task

When you submit the process, you specify parameters that control which balances to generate as shown in the following table.

Flow Submission Parameters	Purpose
Balances to Include	Identifies the set of balances to include when submitting the process: • All balances • All invalid balances • Single balance **Note:** If you select a single balance, you must specify both a balance and a dimension name.
Balance Name	Lists balance names marked as run balances when a single balance is selected.
Dimension Name	Lists run dimensions when a single balance is selected. The list is filtered again when the balance name is selected.

Use Generating Run Balances Examples

Here are two different ways you can use generate run balances to improve performance and accuracy in your payroll application.

- Updating a balance feed effective date

  Your enterprise stops the transportation allowance element as of January 1. This ends the balance feeds between the element input value and the related balances, such as gross-to-net. It also sets the status of the balance values for completed payroll runs to invalid. You submit the Generate Run Balance process to recalculate the balance values and set the status to valid.
- Adding a new balance feed

  You receive a notification on January 31 that a non-taxable earning became taxable as of January 1. You add a balance feed to the earnings element so that the input value feeds a taxable pay balance. You submit the Generate Run Balances process and recalculate the balance values for the taxable pay balance.

Related Topics

- Payroll Balance Definitions

Balance Groups and Usages

Balance Groups

Balance groups represent a collection of balance definitions, including their dimensions that you can use to retrieve balance values for reports, archives, and balance views. Balance group usages determine which reports, pages, and processes use the group to display or process balance information.

Use the **Balance Groups** task to manage your balance groups.

Balance Group Level

You can define a balance group at the employee or organization level. The balance group level determines the group level at which you can include the balance dimensions.

Employee level applies to balances at a payroll relationship level or lower. Organization level or Group level applies to any dimensions higher than the payroll relationship level, including Group Person dimensions.

Balance Definitions

On the Balance Definitions page of a balance group, you can see the balances associated with the balance group. The information includes the balance name, balance dimension, balance category, unit of measurement, and legislative data group. A balance category groups together similar balances. It is similar to the element classifications, for each element classification there is a corresponding balance category. You can also use this page to search for and add balance definitions to your own balance groups and to certain predefined balance groups.

Use **Select and Add** to add multiple balance definitions at a time.

> **Tip:** You can select multiple balance definitions in the Select and Add window. Hold down the Shift key to select a group of consecutive balance definitions. To select individual balance definitions hold down the Control key and select the balance definitions that you want to add to the balance group. Click **Apply** and keep the dialog window open to add the query to search the selected balance definitions . Click **OK** to add the selected balance definitions and close the dialog window.

Restrictions

Restrictions limit the balances that you can add to the balance group. You can add a list of balance categories, a list of balance dimensions, or a combination of balance categories and dimensions.

The **Included Balances Restricted by Category** and the **Included Balances Restricted by Dimension** check boxes are automatically updated on the Balance Group Details page as you add restrictions on the Restrictions page. For example, the standard earnings category means that the balance group is restricted to all balances based on the standard earnings category.

You can also define a balance group without any restrictions.

> **Note:** In some situations you can update a restriction if it's not used by balance definitions and default inclusions. The **Edit** button on the Restriction page is enabled if the selected row can be updated. A balance group may be defined without restrictions.

Default Inclusions

Default inclusions are combinations of balance categories and dimensions that are automatically added to the balance group. This means that any balance definition you define (manually or through the element template), or existing already for the specified category and attached to the specified dimension, is included in the balance group by default. However, if you need to include any other balance definition outside of those in the Default Inclusions, you must manually add the defined balance to the balance group.

Balance Group Usages

For predefined balance group usages, you can add matrix items to the group and associate them with existing balance groups for use in reports, archives, and views. While you can't modify existing usages that are predefined, you can modify matrix items that are user-defined.

You can include balance dimensions for multiple time periods in your balance group usage, such as the current payroll run, month-to-date, or year-to-date.

Use balance group usages to display balance values. You select the usage associated with the balance group. Additionally, you can sequence balances using balance group usages to display in a certain sequence, which may not necessarily be a standard sort sequence.

The Balance Group Usages applicable for Canada are:

- Deductions
- Element Results
- End of Year Archive
- Payroll Activity Report
- Payroll Archive
- Payroll Run Result Report
- Statement of Earnings
- Tax
- Statutory Deductions Report

Here are some examples of typical balance group usages using the predefined report types, including the different kinds of balance dimensions that may be used.

Note: The report type is the owner of the balance group usage. A usage can have only one report type.

Report Type	Balance Categories
Global Archive	Archive of current and year-to-date city tax code balances for areas 1
Global Balance Views	Earnings default balances for the Balance Views page
Global Deduction	Balances for involuntary, prestatutory, social insurance, and tax deductions
Global Element Results	Direct payments tax balances at the assignment, term and relationship levels
Global End of Year Archive	Payroll Relationship level balances
Global Payroll Activity Report	Earnings balances at the payroll relationship level for the current payroll period and year-to-date

Report Type	Balance Categories
Global Payroll Run Result Report	Balances for all earnings at the assignment, term and relationship levels
Global Statutory Deductions Report	All tax deduction balances for the current period and year-to-date
Global Gross to Net	Direct payment balances for a group tax unit for the current period and year-to-date
Statement of Earnings	Pretax deductions for the current payroll period and year-to-date

Examples of Balance Group Usages

Add matrix items to predefined balance group usages and associate them with existing balance groups for use in reports, archives, and views. While you can't modify existing usages that are predefined, you can modify matrix items that are user-defined.

You can include balance dimensions for multiple time periods in your balance group usage, such as the current payroll run, month-to-date, or year-to-date.

Balance group usages are used to display balance values. You select the usage associated with the balance group. Additionally, you can sequence balances using balance group usages to display in a certain sequence, which may not necessarily be a standard sort sequence.

Here is a list of the predefined report types and the different kinds of balance dimensions they use.

Note: The report type is the owner of the balance group usage. A usage can have only one report type

Report Type	Used in Which Reports	Balances Included
Global Archive	Payroll Register Report, Payslip, Payslip Reprinting Report, Payroll Register for the Latest Process	Archive of current and year-to-date balances
Global Balance Views		Earnings default balances for the Balance Results page
Global Deduction	Deduction Report	Balances for involuntary, prestatutory, social insurance, and tax deductions
Global End of Year Archive	Archive End-of-Year Payroll Results	Payroll Relationship level balances required for End-of-Year Statutory reporting
Global Payroll Activity Report	Payroll Activity Report, Employee Active Payroll Balance Report, Payroll Activity Report for the Latest Process	Balances at the payroll relationship level for the current payroll period and year-to-date

Report Type	Used in Which Reports	Balances Included
Global Payroll Run Result Report	Payroll Balance Report	Current balances at the assignment and relationship levels
Global Statutory Deductions Report	Statutory Deductions Register	All city, county, state, federal, and school tax deduction balances for both the employee and employer in the current period and year-to-date
Global Gross-to-Net	Gross-to-Net Report	Summary balances for a group tax unit for the current period and year-to-date in the order of gross-to-net calculation.
Statement of Earnings	Statement of Earnings	Summary and detailed balances for a specific employee and payroll run.

Scenario

Related Topics

- Rules for Editing Balance Groups and Their Usages
- Balance Groups
- Create Balance Groups and Usages
- Balance Group Usages

Rules for Editing Balance Groups and Their UsagesRules for Editing Balance Groups and Their Usages

The limitations on the changes you can make to balance groups and usages are different for predefined and user-defined groups.

Balance Group Rules

These are the actions you can take for both predefined and user-defined balance groups.

Action	Predefined Balance Group	User-Defined Balance Group
Create balance group	No	Yes
Edit balance group	No	Yes
Delete balance group	No	Yes

Action	Predefined Balance Group	User-Defined Balance Group
Add balance definitions	No, unless the Add button in the table menu is enabled	Yes
Remove balance definitions	No, unless the balance definitions are added by the user.	Yes
Add restrictions	No	Yes
Edit restrictions	No	No
Delete restrictions	No	Yes
Edit the balance group level	No	Yes, if the group contains no balance definitions, default inclusions or dimension restrictions.
Add default inclusions	No, unless the Add button in the table menu is enabled	Yes
Edit default inclusions	No	Yes
Delete default inclusions	No	Yes

Balance Groups Usage Rules

The only change you can make to a predefined balance group usage is to add matrix items.

For a user-defined usage, you can:

- Edit or delete the usage
- Edit the usage details
- Add or delete matrix items
- Create, edit, or delete sorting definitions

CAUTION: You can't change the format type of a usage after you save it. Additionally, you can't change the sort method unless you delete the existing sort items.

Create Balance Groups and Usages

This example demonstrates how to create a balance group and balance group usage for a user-defined report of voluntary deductions.

Before You Begin

If you're creating a user-defined report, create a lookup code for the report in the PAY_BALANCE_REPORT_TYPE lookup.

1. In the Setup and Maintenance work area, go to the **Manage Common Lookups** task.
2. Search for and select the **PAY_BALANCE_REPORT_TYPE** lookup type.
3. Add the lookup code, meaning, and description for the user-defined report in the Lookup Codes section.

How to Create a Balance Group

To create a balance group:

1. On the Home page, click the **Balance Groups** quick action under the **My Client Groups** tab.
2. Click **Create** to open the Create Balance Group dialog box.
3. Select a legislative data group and enter a name for the balance group.
4. Click **Continue**.

   The Balance Group Details page displays.
5. Select **Employee** as the balance group level.
6. Click **Save**.
7. Select the **Balance Definitions** folder under the Balance Group Overview list.
8. Click **Select and Add**.
9. In the Select and Add: Balance Definitions dialog box, enter these values.

Field	Value
Dimension Name	Relationship Run
Category	Voluntary Deductions

10. Click **Search**.
11. In the Results section, select the balance definitions that you want to add and then click **OK**.

> **Tip:** You can select multiple balance definitions in the Select and Add window. Hold down the Shift key to select a group of consecutive balance definitions. To select individual balance definitions hold down the Control key and select the balance definitions that you want to add to the balance group. Click **Apply** and keep the dialog window open to add the query to search the selected balance definitions . Click **OK** to add the selected balance definitions and close the dialog window.

12. Click **Submit**.
13. Click **Done**.

How to Create a Balance Group Usage

To create a balance group usage:

1. On the Home page, click the **Balance Groups** quick action under the **My Client Groups** tab.
2. Click **Create** .
3. In the Create Balance Group Usage dialog box, complete the fields as shown in this table.

Field	Value
Legislative data group	Enter the same LDG as the balance group for which you're creating the usage.
Name	Employee voluntary deduction run balances
Balance Group	The group you created in the previous task
Format Type	Table

4. Click **Continue**.
   You're returned to the Balance Group Usage Details page.
5. Select the report type (this was the report type that you added as a lookup code to the PAY_BALANCE_REPORT_TYPE lookup).
6. Click **Save**.
7. Select the **Sorting** folder under Balance Group Usage Overview list.
8. From the Actions drop down list on the right, select **Create**.
9. Enter these details.

Field	Value
Name	Any
Sort Method	Name
Sort By	Balance Type
Order	Ascending

10. Click **Save**.
11. Click **Done**.

FAQs for Balances

Can I calculate balances that go back 12 months?

Yes. You can use certain balance dimensions to calculate balances based on a 12-month period rolling back from the effective date. The 12-month rolling balance provides a sum total for the balance dimension that you select.

If the balance dimension is used in a payroll run or report, however, it calculates a balance based on the 12-month period prior to the effective date of the run.

For example, let's say you wanted to retrieve balances for an employee for 12 months. If the effective date is 31-AUG-2015, you can then use a balance dimension to summarize all run results for the period from 01-SEP-2014 to 31-AUG-2015.

What balance dimensions can I use to calculate balances for a 12-month roll back period?

You can use these balance dimensions to calculate balances for a 12-month roll back period:

This table lists the available balance dimension types and balance dimensions.

Balance Dimension Type	Balance Dimension
Rolling 12 Month Balance Dimensions	• Relationship Tax Unit Rolling 12 Month • Assignment Tax Unit Rolling 12 Month
Resident City Balance Dimensions	• Term Tax Unit Resident City Month-to-Date • Term Tax Unit Resident City Quarter-to-Date • Term Tax Unit Resident City Year-to-Date • Assignment Tax Unit Resident City Month-to-Date • Assignment Tax Unit Resident City Quarter-to-Date • Assignment Tax Unit Resident City Year-to-Date
Statutory Report Code Balance Dimensions	• Relationship Tax Unit Statutory Report Code Run • Relationship Tax Unit Statutory Report Code Month-to-Date • Relationship Tax Unit Statutory Report Code Quarter-to-Date • Relationship Tax Unit Statutory Report Code Year-to-Date • Relationship Tax Unit Statutory Report Code Period-to-Date • Term Tax Unit Statutory Report Code Run • Term Tax Unit Statutory Report Code Month-to-Date • Term Tax Unit Statutory Report Code Quarter-to-Date • Term Tax Unit Statutory Report Code Year-to-Date • Term Tax Unit Statutory Report Code Period-to-Date • Assignment Tax Unit Statutory Report Code Run • Assignment Tax Unit Statutory Report Code Month- to-Date • Assignment Tax Unit Statutory Report Code Quarter-to-Date • Assignment Tax Unit Statutory Report Code Year-to-Date

Balance Dimension Type	Balance Dimension
	• Assignment Tax Unit Statutory Report Code Period-to-Date

12 Set Up Pay Calculation Components

Calculation Information

Payroll Calculation Information

When you create an element, the application generates the rules and definitions required to calculate an earnings or deduction amount. For all types of elements, these rules and definitions include elements, formulas, and processing rules.

This topic explains the payroll calculation information rules and definitions generated for certain classifications and categories of user-defined elements, such as involuntary deductions, absence information, and time card entries.

These rules and definitions exist within the following components:

- Elements
- Payroll components
- Wage basis rules
- Calculation factors
- Calculation value definitions
- Calculation components

All predefined tax and social insurance elements also include payroll calculation information rules and definitions.

Note: Elements that use calculation information definitions don't capture the values required for the calculation on element input values.

Task Summary

This table summarizes the purpose of each type of calculation information and the task you can use to view or edit it.

Calculation Information	Description	Task
Elements	Elements specify how and when an earnings or deduction should be processed. When you create an element, several related elements are typically created with the same name prefix. You can view the related elements and other generated items on the Element Summary page, including: • Status processing rule - specifies the formula that processes the element entries • Input values - values that can be entered for, or returned from, the calculation After creating an element:	Use the Elements task to create elements and to view the generated elements and related items.

Calculation Information	Description	Task
	• You must add eligibility rules • You may want to add: o Input values o Status processing rules o Frequency rules o Balance feeds	
Payroll components	A payroll component is a group of rates and rules that the payroll run uses to calculate values for earnings and deductions. When you create elements in certain classifications and categories, such as involuntary deductions, the element template creates a payroll component with the same name. You can manage payroll components using predefined component groups, such as federal tax, employment insurance, taxes, retirement plans, involuntary deductions, and benefits.	Payroll Calculation Information task to view payroll components and their associated rules.
Wage basis rules	Wage basis rules determine the earnings that contribute to a deductible amount or, for exemptions, the elements that reduce the amount subject to deduction. For example, wage basis rules might define which secondary classifications of standard and supplemental earnings are subject to a particular tax. Rules may vary based on reference criteria such as the province of employment.	Use the Component Group Rules task to define the rules and references. Use the Calculation Cards task to enter reference values for workers.
Calculation value definitions	Calculation value definitions store calculation rates and rules, which may vary based on other criteria. The calculation value definition controls which calculation values are enterable on a calculation card.	Use the Calculate Value Definitions task to: • View predefined definitions and the definitions that element templates create. • Update the annual maximum assessable wages are delivered for each province for processing Workers' Compensation. **Note:** You can edit definitions that element templates create, such as adding default calculation values.
Calculation components	Calculation components are individual calculations captured on a calculation card. When an element template creates a payroll component, it also creates calculation	Use the Calculation Cards task to enter calculation components for a person.

Calculation Information	Description	Task
	components that you can enter on personal calculation cards to enter specific details for the person.	
Calculation factors	Calculation factors indicate which calculation value definition to use when calculating the amount. For example, a calculation factor might identify which set of tax rates to use based on the tax code of the employee. If tax rates vary based on a factor such as a person's filing status, then filing status is defined as a calculation factor reference. Thus, an element may have multiple calculation factors, one for each unique set of rules and references values.	Use the Elements, Element Overview task to access calculation factors. Use the Payroll Calculation Information task to create new calculation factors. Normally, you don't need to create new factors, but if you do, you must also edit the element's payroll formula to use the new calculation factors.
Calculation types	A calculation type describes a way of calculating a value. For example, calculating a value as a Flat Amount or by applying a Rate to a value. There's a predefined set of Calculation Types.	Use the Calculation Value Definitions task to view calculation types.
Calculation steps	A Calculation Step is a name or label that denotes part of a payroll calculation. For example, a time calculation can consist of the following parts: • Calculate Hours worked • Calculate hourly rate A regional tax calculation can consist of the following parts: • Calculate Exemptions • Calculate Allowances • Calculate Tax Each one of these is a calculation step in a fast formula.	Use the Payroll Calculation Information task.
Calculation methods	Predefined calculation methods are a way of performing a payroll calculation. For example, a tax could be calculated using a cumulative year-to-date payroll balance or a periodic payroll value.	Use the Payroll Calculation Information task.
Calculation factors	Calculation factors create an association between an element, calculation step, and a calculation value definition.	Use the Elements, Element Overview task.

Calculation Information	Description	Task
	Calculation factors indicate which calculation value definition to use when calculating the amount. Calculation factors can support complex calculations such as tax rates. For example, if a tax rate varies based on a factor such as a person's filing status the filing status can be defined as a calculation factor reference thus, an element may have multiple calculation factors, one for each unique set of rules and references values.	

Payroll Calculation Information Formulas

Overview

When you create an element, the application generates the rules and definitions required to calculate the earnings or deduction amount. This includes elements, formulas, and processing rules.

Use the predefined calculation formulas to calculate and access calculation information in a payroll run. Here are the formulas that contain specific rules for each calculation type:

- **CALL_CALC_VALUE** (Fast Formula)
- **CALC_DIR_EXISTS** (Fast Formula Function)
- **GET_CALC_DETAIL** (Fast Formula)
- **CALC_DIR_GET_OVERRIDE_LEVEL** (Fast Formula)
- **CALL_CALC_VALUE_DETAILS** (Fast Formula)

The element associated with these formulas calculates the value definitions. For example, the time element template creates multiple value definitions to capture time-related information, such as number of units, rate information, and accrual date. The formula that the time elements template generates includes multiple calls to the **CALL_CALC_VALUE** formula, one call for each value definition.

You can also use the predefined **CALL_CALC_VALUE** formula to calculate rates based on a rate definition or values defined by criteria in the payroll run. In a scenario where we calculate a bonus, we can do so using a rate definition or a car allowance value based on criteria of the worker's location.

- **CALL_CALC_VALUE** (Fast Formula)

  You can use this formula to access payroll calculation information. This formula evaluates the calculation factors required to identify the value definition to be calculated. After the formula identifies the value definition, the corresponding value is calculated.
- **CALC_DIR_EXISTS** (Fast Formula Function)

  You can use this function to identify if a value definition exists for the current contextual settings. If this function returns Y, a value definition does exist. If the function returns N, no value definition was found.
- **GET_CALC_DETAIL**

This Formula returns the details of the prior call to CALL_CALC_VALUE. For example, the value definition was for these incremental rates:

From	To	Rate
0	1000	1%
1001	10000	10%
10001	999999999	20%

`CALL_CALC_VALUE` formula would return an amount of 2910 for a base of 20000. Then, `GET_CALC_DETAIL` would return these values:

Base	Rate	Amount
1000	1%	10
9000	10%	900
10000	20%	2000

The formula also returns these override types and the details that this call uses.

Override Type	Meaning
R	Rate
T	Total Amount/Value to be returned.
A	Value A
B	Value B
C	Value C
AA	Additional Amount
AR	Additional Rate
RT	Range Table (Override the complete Range Items)

Override Type	Meaning
RD	Rate Definition
F	Flat Amount
M	Multiplier
D	Date
1	String

CALC DIR GET OVERRIDE LEVEL

This formula calls the `CALC_DIR_GET_OVERRIDE_LEVEL` function which determines the level at which the override value is used for the qualifying Calculation Unit.

For example, if the function determines the Calculation Factor, the Value Definition is used for the calculation.

The formula takes an input Parameter of override type, and then determines the level where the override type is overridden. The available override types vary based on the calculation type.

Override Type	Meaning
R	Rate
T	Total Amount/Value to be returned.
A	Value A
B	Value B
C	Value C
AA	Additional Amount
AR	Additional Rate
RT	Range Table (Override the complete Range Items)
RD	Rate Definition
F	Flat Amount

Override Type	Meaning
M	Multiplier
D	Date
1	String

It would determine where the value for the override type is retrieved.

Return	Purpose
NO_VALUE	The Value Definition (no range items) calculates no value.
NONE	There are no overrides, but the Value Definition has range items that may perform the calculation.
PREL	There's an override on the Payroll Relationship Card.
TRU	There's an override on the TRU Card.
PSU	There's an override on the PSU Card.

You can get the Rate Override level by calling the formula with an override type of 'R'.

CALL_CALC_VALUE_DETAIL

This formula is a combination of `CALL_CALC_VALUE` and `GET_CALC_DETAIL` and returns the details of both calls.

Related Topics

- Time Element Value Definitions
- Calculate Time Element Rate Using Values Defined by Criteria
- Calculate Standard Earnings Rate Using Values Defined by Criteria

Parameters for Calculation Information Payroll Formulas

Parameters for Calculation Information Payroll Formulas

Input and Output Parameters for the Calculation Information Payroll Formulas

1. **CALL_CALC_VALUE (Fast Formula)**
    - **Inputs**

Name	Data Type	Use To
Base	Number	Mandatory. The amount that the calculation would be based on. For example, if the calculation is a Flat Rate, the Rate is applied to Base for calculating the return value.
Range_Value	Number	Optional. Defaulted to Base when no value is specified. Range Value is used with the From and To values on the Range Items for identifying the Range Item to use for the calculation. For example, an Allowance could be based on the Number of Children and Employee has. The Range Value could be the Number of Children, but the Base could be Gross Earnings (as the Allowance is a factor of the Gross Earnings).
Calculation_factor	Number	Optional. Default Value 1. Some Calculation Types use a factor (z). For example, Standard Formula 1, using this parameter the caller can specify the factor to use.
Range_offset	Number	Optional. Default 0. This is similar to the Range Value. In this case, it defines the amount that has previously been considered. For example, when calculating an Incremental Rate for a Payroll Period, a previous Payroll Run may have calculated on a base/range of $2000. So there's a $2000 offset for the current Payroll Run.
Range_low_override	Array of Numbers	Optional. Default Empty Array. The low and high overrides work in combination, the number of rows in the arrays must match the number of Range Items in the Value Definition to be processed. Certain statutory Value Definitions are allowed

Name	Data Type	Use To
		to override the Ranges (From and To values).
Range_high_override	Array of Numbers	Optional. Default Empty Array. See Range_low_override.
Value_name	Array of Strings	Optional. Default Empty Array. Some Calculation Types allow parts of the Calculation to be overridden. This is performed by the value_* parameters, these arrays must have equal numbers of entries. Value_name contains the Name of the attribute (typically a DB Item) to be overridden. Value_Value contains the override value and Value_datatype is the data type of the override.
Value_value	Array of Strings	Optional. Default Empty Array. See Override_name.
Value_datatype	Array of Strings	Optional. Default Empty Array. See Override_name.

- **Outputs**

Name	Data Type	Use To
Ded_amount	Number	This amount is the returned calculated value.
Periodicity	String	Some Calculation Types return the frequency of the Amount returned. For example, 'YEAR' meaning Annually, hence a calculated amount of $50000 with a periodicity of Year (annually).
Out_uom	String	The Unit of Measure of the calculated Value.

2. **CALC_DIR_EXISTS (Formula Function)**
    - **Outputs**

Name	Data Type	Use To
Exists	String	Y or N.

3. **GET_CALC_DETAILS (Fast Formula)**
    - **Outputs**

Name	Data Type	Use To
Ded_amount	Number	This amount is the returned calculated value.
Periodicity	String	Some Calculation Types return the frequency of the Amount returned. For example, 'YEAR' meaning Annually, hence a calculated amount of $50000 with a periodicity of Year (annually).
Out_uom	String	The Unit of Measure of the calculated Value.
High_value	Array of Number	Range Item High Value
Base	Array of Number	Base used for this portion of the calculation.
Rate	Array of Number	Rate Used for this portion of the calculation.
Flat_amount	Array of Number	Flat Amount used for this portion of the calculation.
Multiplier	Array of Number	The multiplier used for this portion of the calculation.
Parameter	Array of String	The parameter used for this portion of the calculation.

Name	Data Type	Use To
Value_a	Array of Number	Value A used for this portion of the Calculation.
Value_b	Array of Number	Value B used for this portion of the Calculation.
Value_c	Array of Number	Value C used for this portion of the Calculation.
Val_def_name	Array of String	Name of the Value Definition used.
Override_flags	Array of String	Override Types used for this portion of the calculation.

4. CALC_DIR__GET_OVERRIDE_LEVEL (Fast Formula)
    - **Inputs**

Name	Data Type	Use To
Override_type	String	Type of Override to look for.

    - **Outputs**

Name	Data Type	Use To
Level	String	The level at which the override was found.

Calculation Cards

Examples of Creating Calculation Cards for Deductions at Different Levels

You can create and manage calculation cards at several different levels, from an individual person to a payroll statutory unit.

Use the cards to capture information specific to a person or organization, such as an employee's tax filing status or an employer's tax identification number. Calculation card entries override default values defined at other levels. The priority of information, from highest to lowest, is as follows:

1. Personal calculation card (payroll relationship level)
2. Tax reporting unit calculation card
3. Payroll statutory unit calculation card
4. Calculation value definitions (legislative data group level)

Note: Not all countries or territories support creating calculation cards for payroll statutory units and tax reporting units. The enterable values at each level also vary by country or territory. The basic steps to create and manage calculation cards are the same at all levels.

Use these examples to understand when you might define calculation cards at each level.

Personal Calculation Card

Scenario: An employee qualifies for a special reduced tax rate.

Task: Calculation Cards task in the Payroll section under My Client Groups.

Tax Reporting Unit Card

Scenario: The income tax exemption amount is 2000 at the legislative data group level, but a tax reporting unit in a particular state or province uses an exemption amount of 2500. Enter this default value for the tax reporting unit, which can be overridden on personal calculation cards.

Task: Manage Legal Reporting Unit Calculation Cards task in the Setup and Maintenance section.

Payroll Statutory Unit Card

Scenario: During application setup, the implementation team defines default contribution rates for the payroll statutory unit.

Task: Manage Legal Entity Calculation Cards task in the Setup and Maintenance section.

Calculation Value Definition

Scenario: You can view the predefined income tax rates for your country, but you can't edit them.

Task: Calculation Value Definitions task in the Payroll section.

If an employer qualifies for a special tax rate, enter these values on a calculation card at the appropriate level.

How Province of Employment Works with Calculation Cards

The province in which an employee works affects their tax calculations. For example, if an employee lives in Ontario and works in Quebec, their payroll calculations are based on the Quebec taxation laws, and not of Ontario.

The new hire flow creates a calculation card as part of the flow. The province of employment is automatically set to the province from the location address of the assignment, if it's available. However you can override the work location of the assignment. Use the Calculation Cards task under Payroll to manually set the province of employment on the Tax Credit Information calculation card.

You must manually set the province of employment when configuring calculation cards in these instances:

- End dating the assignment associated with the default province of employment.
- If there are multiple assignments with different location addresses (of different provinces).
- If the location address isn't specified during the new hire flow.

Provincial Transfers

The province of employment is initially derived from the work location on the assignment. When an employee transfers provinces, the employee's work location and the province of employment on the tax card must reflect the new location.

Once the new location is updated on the assignment, the province of employment on the tax card is updated automatically by default.

When a change is made to the employee's work location, the province of employment on the employee's tax card is updated automatically, unless it's disabled. Once the province of employment on the tax card is changed, the tax calculation uses the new location to determine where the employee is taxed.

> **Note:** After a provincial transfer, all retroactive earnings are taxed based on the current province of employment on the employee's Tax Credit Information calculation card, as per legislative guidelines. Retroactive pretax deductions are also based on the current province of employment.

Province of Employment Outside of Canada

The employee's province of employment can be in the US or in any other country, designated as ZZ in the application. The payroll application supports the following features for employees whose province of employment is outside of Canada.

- *Data Capture*
  The province of employment on the employee's calculation card captures the province used for payroll and tax processing and is reported at year-end. The values in the province list of values in the calculation card are as given in this table.

Country	Province Code
United States	US

Country	Province Code
Any Other Country	ZZ

- *Tax Processing*

  The US and ZZ province codes use the taxation formula 'Outside Canada and in Canada beyond the limits of any province or territory' for processing tax.

- *Overrides for Workers' Compensation, Provincial Medical Liability, and Vacation Liability*

  If an employee's tax card has a US or ZZ province code and their earnings be included in Workers' Compensation, Provincial Medical, or Vacation Liability calculations, override the province using the Payroll Relationship UI.

  - Select the province or the account, or both, to use for the Workers' Compensation or Provincial Medical liability calculations at the payroll relationship level.
  - Override the province for Vacation Liability calculations at the payroll relationship level.

- *End-of-Year Reporting*

  The province codes for US and ZZ are reported to the Canada Revenue Agency in Box 10 of the T4 (Statement of Pension, Retirement, Annuity, and Other Income) slip.

  > **Note:** You can use the province codes in the Province parameter in the Run End-of-Year tasks to isolate them when you run the year-end processes.

  If these codes aren't available for selection, you must run the Maintain Canadian Geography task to create the new province records for these provinces.

Location Synchronization

The work province is used to calculate tax. To determine the work province, the province of employment on the tax card is derived from the province of the employee's work location.

The application uses the province of employment to determine where the employee is taxed.

When an employee transfers provinces, the employee's work location and the province of employment on the tax card must reflect the change. Use the **Calculation Card Options** profile option parameter to enable or disable the automatic update of the province of employment on the tax card.

The province of employment on the employee's tax card is updated automatically by default. Set the value of the parameter to **CA_HRSYNC**, to automatically update the province of employment on the employee's tax card.

How to Disable Automatic Update of Province of Employment

However, you can disable automatic update of the employee's province of employment on their tax card, as given here.

1. Search for and select the **Payroll Process Configuration** task under Payroll on the Home page.

2. Select the **Default Group** tab.
3. Select the **Calculation Card Options** parameter.

   Note: If the Calculation Card Options parameter isn't available for selection, click **Create**, add the parameter and its Default Value. You may find other values for other processes. Ensure the value **HR_SYNC_OFF** exists. If you need to enter other values here, enter them with a blank value to separate each value.

4. Click **Edit** and enter **HR_SYNC_OFF**.
5. Click **Save and Close** and then click **Done**.

How Personal Calculation Card Entries Fit Together

Personal payroll calculation cards capture information specific to a particular payroll relationship. Payroll runs use this information to calculate earnings and deductions. Actions such as hiring a person or loading data may create some cards automatically. Otherwise, you can create the card manually.

You can also add components to cards and enter calculation values, which may override default values. Additionally, you can associate the card with a tax reporting unit (TRU).

To view and manage calculation cards use the Calculation Cards task under Payroll on the Home page.

Consider the following when working with personal calculation cards:

- Types of calculation cards
- Calculation card creation
- Calculation components and component groups
- Enterable calculation values
- TRU associations
- End date or delete association records

Card Types

The type of calculation cards you can create and the type of information captured on a card are given in this table.

Additional cards may be available to capture information for reporting purposes.

Card Name	What it Does
Absences	Identifies absence data and categories, such as: • Vacation • Maternity • Sickness • Other Also used to track accrual balances, qualifications, or no entitlement.
Benefits and Pensions	Identifies: • Contribution amounts

Card Name	What it Does
	• Limits • Payees • Additional contributions
Tax Credit Information	Identifies: • Federal and Provincial Deductions • Tax Exemption Information • Commission Information • Associations
Involuntary Deductions	Identifies involuntary deductions for both employee and nonworker (retirees) person types. Each card can support multiple deduction types and configurations. One card per payroll relationship.
Reporting Information	Captures Record of Employment information for an employee.
Time Cards	Depending on how they're configured, time cards capture: • Hours and dates worked • Categories of time, such as regular time, overtime, absence, vacation, and holiday
Organization	Organization configuration cards at the following levels: • Legal Entity Calculation Card at the payroll statutory unit (PSU) level • Legal Reporting Unit Calculation Card at the TRU level

Card Creation

Some actions create or update a card automatically, as given here:

- When you record and approve an absence in the Absence Record task for an employee, the task automatically creates an Absences card, unless one already exists.
- A Tax Credit Information card is created automatically during:
    - New hire
    - New payroll relationship assignment
    - Mass data upload through the HCM Data Loader

For other card types, you create calculation cards as needed for each employee. If you load absence, time card, or pension data from another application, the application automatically creates the calculation cards.

Calculation Components and Component Groups

The Effective As-of Date at the top of the page drives the date of the information displayed.

The Calculation Card Overview pane shows an hierarchy of calculation components within component groups. For example, federal and provincial tax components are calculation components in the Canadian Tax Credit Information calculation card.

Each component relates to an element, such as an income tax deduction. Adding a calculation component to the card creates an entry for the related element.

A calculation component may have one or more references that define its context, such as the employee's place of residence or tax filing status.

Click a row in the Calculation Components table to see component details. Use the Component Details section to enter additional values used to calculate the component.

Enterable Calculation Values

When you select a calculation component, you may see the Enterable Calculation Values on the Calculation Card tab. Here you can enter specific rates or other values for the person, which may override default values held on a calculation value definition. For example, if an employee qualifies for a special reduced tax rate, you enter the rate as an enterable value on their personal calculation card.

You can't override values loaded from another application, but you may be able to add values, such as adding additional contributions to a pension deduction.

Tax Reporting Unit Associations

Click the Associations node in the Calculation Card Overview pane to associate a tax reporting unit with the card. Associations determine:

- Which rates and rules held at tax reporting unit level apply to the calculation of the components
- How the calculations are aggregated for tax reporting

Rules about what you can enter here vary by country:

- Typically, all components on a calculation card are associated with the same tax reporting unit by default.
- You may be able to associate individual components with different tax reporting units.
- If a person has multiple terms or assignments, you may be able to associate specific terms or assignments with calculation components.

End Date Calculation Cards

The Tax Credit Information and Reporting Information employee cards aren't end dated upon termination of the employee. The cards remain open so that employee balances are retained if the employee is rehired and the payroll relationship and the TRU remains the same.

All other calculation cards are end dated upon employee termination.

End Date or Delete Association Records

End date or delete association detail records on the Tax Credit Information card. Use the **Delete** button in the Association Details section to select one of these options:

- **Delete Record Permanently** to delete the association detail record permanently.
- **Delete Date-Effective Record** to delete the association detail record as of the entered effective date.
- **End Date** to end date the association detail record (defaults to the effective date).

> **Note:** If a record contains an end date, as of the effective date of the change, the **Clear Date** option is presented instead.

Create a Legal Entity Calculation Card

This topic shows how you can create a calculation card at the legal entity level. The calculation card captures information like the tax calculation rules and methods for the organization at the legislative level.

Use the Manage Legal Entity Deduction records task to create the card. Define one Calculation Card for each PSU and TRU you have defined.

You can override the information you define on the legal entity card at the TRU-level.

Perform these tasks to create a legal entity calculation card for Canada:

- Create the Calculation Card
- Define the Federal Tax Calculation Components
- Define the Canada Pension Plan Calculation Components
- Define the Employment Insurance Calculation Components
- Define the Provincial Tax Calculation Components
- Define the Quebec Pension Plan Calculation Components
- Define the Quebec Parental Insurance Plan Calculation Components

How to Create the Calculation Card

1. In the Setup and Maintenance work area, do the following:
    - Offering: Workforce Deployment
    - Functional Area: Enterprise Structures
    - Task: Define Legal Entities for Human Capital Management

    Expand the entry to display a list of related tasks.
2. Click the *Select Scope* link for the Define Legal Entities for Human Capital Management task.
3. On the Select Scope window, select *Select and Add.*
4. Click *Apply and Go to Task*.
5. On the Select and Add: Legal Entity page, search for and select the legal entity and click *Save and Close.*
6. Click *Go to Task* for the Manage Legal Entity Calculation Cards task.
7. Click *Create.*
8. Enter the *Effective-As-of-date* and select *Calculation Rules for Tax Reporting and Payroll Statutory Unit* as the card name.
9. Click *Continue.*

How to Define the Federal Tax Calculation Components

The **Federal Tax** card component is used to capture information that impacts Federal Tax calculations for employees.

1. Select *Federal* from the Components Groups in the Calculation Card Overview section.
2. Select *Federal Tax* as the Calculation Component.

3. Select *Edit-Correct* in the Federal Tax: Details section.
4. In the Calculation Component Details tab:
    - Select *Option 1- General Tax Formula* in the Federal Regular Tax Method
    - Select one of these options in the Federal Nonperiodic Tax Method to configure the nonperiodic tax method:
        - Regular Bonus Calculation
        - Year-to-Date Bonus Calculation
5. Click *Save.*

How to Define the Canada Pension Plan Calculation Components

The **Canada Pension Plan** card component is used to capture information that impacts CPP calculations for employees.

1. Select *Canada Pension Plan* as the Calculation Component.
2. Select *Edit-Correct* in the Canada Pension Plan: Details section.
3. In the Calculation Component Details tab:
    - a. Select one of these self-adjust options for the *CPP Self Adjust Method:*
        - Self Adjust - adjusts the deduction based on the pensionable earnings every payroll
        - Self Adjust at Maximum - adjusts the deduction based on the pensionable earnings when the maximum annual pensionable earnings are reached
    - b. Select an option for Calculate CPP for Indian Exempt:
        - Yes - CPP is calculated for Indian exempt wages
        - No - CPP is not calculated for Indian exempt wages
4. Click *Save*.

How to Define the Employment Insurance Calculation Components

The **Employment Insurance** card component is used to capture information that impacts EI calculations for employees.

1. Select *Employment Insurance* as the Calculation Component.
2. Select *Edit-Correct* in the Employment Insurance: Details section.
3. In the Calculation Component Details tab, select one of these self-adjust options for the EI Self-Adjust Method:
    - Self-Adjust - adjusts the deduction based on the insurable earnings every payroll
    - Self-Adjust at Maximum - adjusts the deduction based on the insurable earnings when the maximum annual insurable earnings are reached
4. In the Enterable Calculation Values on Calculation Cards tab:
    - Click *Plus.*
    - Select *Employer EI Rate* in the Name field and click *OK.*
    - Enter the rate value. Enter the rate to three decimals (for example 1.267).
    - Click *OK*.
5. Click *Save and Close.*

How to Define the Provincial Tax Calculation Components

The **Provincial Tax** card component is used to capture information that impacts Provincial Tax calculations for employees. This component is only applicable to Quebec.

1. Select *Regional* from the Component Groups in the Calculation Card Overview section.
2. Click *QC (or Quebec)* under Regional.
3. Select *Provincial Tax* as the Calculation Component.
4. Click *Plus* in the Provincial Tax: Details section.
5. Select *Provincial Tax* in the Calculation Component Details field and click *OK*.
    - Select *Regular Payments* as the Provincial Regular Tax Method.
    - Select *Bonus, Retroactive Pay or Lump Sum Payments - Method 1* as the Provincial Nonperiodic Tax Method.
6. Click *Save*.

How to Define the Quebec Pension Plan Calculation Components

The **Quebec Pension Plan** card component is used to capture information that impacts QPP calculations for employees. This component is only applicable to Quebec.

1. Select *Quebec Pension Plan* as the Calculation Component.
2. Click *Plus* in the Quebec Pension Plan: Details section.
3. Select *Quebec Pension Plan* in the Calculation Component Details field and click *OK*.
4. In the Calculation Component Details tab, select one of these self-adjust options for the QPP Self-Adjust Method:
    - a. Select one of these self-adjust options for the QPP Self-Adjust Method:
        - Self-Adjust - adjusts the deduction based on the pensionable earnings every payroll
        - Self-Adjust at Maximum - adjusts the deduction based on the pensionable earnings when the maximum annual pensionable earnings are reached
    - b. Select an option for Calculate QPP for Indian Exempt:
        - Yes - QPP is calculated for Indian exempt wages
        - No - QPP is not calculated for Indian exempt wages
5. Click *Save*.

How to Define the Quebec Parental Insurance Plan Calculation Components

The **Quebec Parental Insurance Plan** card component is used to capture information that impacts QPIP calculations for employees.

1. Select *Quebec Parental Insurance Plan* as the Calculation Component.
2. Click *Plus* in the Quebec Parental Insurance Plan: Details section.
3. Select *Quebec Parental Insurance Plan* in the Calculation Component Details field and click *OK*.
4. In the Calculation Component Details tab, select one of these self-adjust options for the QPIP Self-Adjust Method:
    - Self-Adjust - adjusts the deduction based on the insurable earnings every payroll
    - Self-Adjust at Maximum - adjusts the deduction based on the insurable earnings when the maximum annual insurable earnings are reached

5. Click *Save and Close.*

Create a Statutory Deductions Calculation Card Manually

This example demonstrates how you can create the Tax Credit Information Calculation Card calculation card at the payroll relationship level and add the federal and provincial tax deductions. The calculation card captures the employee's tax filing information as given in the TD1 form.

Before You Begin

Before you start creating the card, confirm the following:

1. The new hire process for the employee is completed and the employee has a valid payroll relationship with a Canadian payroll statutory unit. The employee has at least one valid assignment under the payroll relationship.
2. The employee is assigned to a payroll.

Create the Calculation Card

1. Search and select the **Calculation Cards** task under **Payroll** in **My Client Groups** on the Home page..
2. Complete these fields in the Search section, as shown in this table.

Field	Value
Name	Adams, Kay
Legislative Data Group	InFusion, Canada
Effective As-of Date	01/01/2013

3. Click **Search** to display a list of matching payroll relationships.

   > **Note:** A person can have multiple payroll relationships. In this example, only one payroll relationship exists for the person.

4. Click the row for *Adams, Kay* to open the Person Details page. Any available calculation cards appear in the Search Results.
5. Click **Create** to open the Create Calculation Card window.
6. In the Name field, select **Tax Credit Information Calculation Card** as the calculation card type.
7. Click **Continue** to display the Calculation Cards page.

   In the Calculation Card Overview pane, you can view the calculation groups associated with this calculation card. In this example, you can see the Federal and Regional calculation groups. You can also see Ontario under the Regional group.

How to Add Calculation Components for Federal Deductions

To enter the federal deduction components:

1. In the Calculation Card Overview pane, select **Federal**.

> **Note:** The three calculation components under the Federal group are: Federal Tax Information, Tax Exempt Information, and Commission Information.

2. Enter **15,500** as the Total Claim Amount.

   > **Note:** You enter a claim amount only if the employee has an amount that's different than the basic amount. If you don't enter an amount the basic amount is used.

3. Enter **500** as the Additional Tax amount.
4. Select the **CPP Exempt** check box to exempt the employee from CPP deductions.
5. Enter the **CPP Election Date** if you want CPP proration.

   > **Note:** You can't select the CPP Exempt check box and also enter the CPP Election Date. You can enter only either of them and not both.

6. Select the **EI Exempt** check box to exempt the employee from EI deductions.

How to Add Calculation Components for Regional Deductions

To add provincial tax details for a province, for example Ontario: The employee has two dependents under the age of 19 and one disabled dependent.

1. In the Calculation Card Overview section, select **ON** under the Regional group. ON is the two-digit province code for Ontario.
   Calculation Components under the Regional group are: Provincial Tax, Payroll Tax and Quebec Taxes. The values displayed in the card depend on the province of employment. In this example, you can see the components for Provincial Tax for Ontario.
2. Enter the **Total Claim Amount** to override the provincial tax deductions.
3. Select the **Provincial Tax Exempt** check box if you want to exempt the employee from Provincial Tax.
4. For the province of Ontario, specify **2** as the Number of Dependents Under Age 19 and **1** as the Number of Disabled Dependents.
5. Click **Save and Close**.

How to Create an Association

You must associate the calculation card with a tax reporting unit (TRU). You must also associate the card to each employment assignment or term. A person with multiple assignments can have one TRU for each assignment, or each TRU can have one assignment or term. You can't enter multiple TRU's to an assignment or term.

1. In the Calculation Card Overview pane, click **Associations**.
2. Click **Create** in the Associations section.
3. In the Create Association window, select **InFusion 1**, the TRU responsible for reporting deductions for this employee.
4. Click **Save t**o save the association.

   > **Note:** You must save the association before you can create association details.

How to Create Association Details

You must associate calculation components with employment assignments or terms.

1. In the Association Details section, click **Create**.
2. On the Create Association Details window, select **E300100008926055** in the Assignment Number field.
3. Repeat steps 1 and 2 for each assignment.

4. Click **Save and Close**.

Examples of Creating Calculation Cards Manually

If your Product Usage is set to Payroll or Payroll Interface, then the new hire process automatically creates a calculation card. However, sometimes you must create a personal calculation card manually.

The following three scenarios show when you must manually create a personal calculation card for an employee.

In all examples, use the Calculation Cards task in the Payroll area to create the card.

Additional Assignment for a Different TRU

If an employee with an existing assignment and associated calculation card gets an additional assignment that reports to a different tax reporting unit (TRU,) you must:

- Associate the new TRU to the existing tax card
- Associate the new assignment to the card

Note: The employee receives two different payslips, one for each assignment.

Upgrade from HR to Payroll

When you upgrade your product usage from HR only to Payroll, you must create a calculation card for each existing employee who doesn't already have one.

Transfer of Employees to a New TRU

If you're transferring all or some employees to a new TRU, follow these general steps:

1. Create the TRU. Also create the tax and other additional registrations for the new TRU.
2. On the existing calculation cards, set the end date for all association details including the TRU association.
3. For each transferring employee, create a calculation card. Define an association to the new TRU and association details for the Federal and Regional components.

Edit the Tax Credit Information Calculation Card

This topic demonstrates how you can modify the Tax Credit Information calculation card that was automatically generated during a new hire process. For example, you can modify the employee card to reflect employee-specific values that are different from the default values.

For example the province of employment of the employee, Adams, Kay, at the time of hiring is Ontario. Subsequently, the employee has taken a new assignment with a different tax reporting unit (TRU).

Before You Begin

Before you begin confirm the following:

- The new hire process forAdams, Kay is completed and a TRU was selected on the Hire an Employee: Employment Information page.
- The employee has a payroll relationship and is assigned to a payroll.
- A calculation card definition that includes the federal and regional tax calculation exists at the legislative level.
- The employee takes on a new assignment in Quebec with a different TRU, InFusion2.

How to Open the Calculation Card

1. Select *Calculation Cards* from **Payroll** in **My Client Groups**.
2. On the Person Search page, complete the following fields:

Field	Value
Name	Adams, Kay
Legislative Data Group	InFusion, Canada
Effective As-of-Date	01/01/2013

3. Click *Search* to display a list of matching payroll relationships.

   A person can have multiple payroll relationships. In this example, only one payroll relationship exists for the person.
4. Click the row for *Adams, Kay* to open the Manage Person Details page. Any available calculation cards appear in the Search Results.
5. Click the *Tax Credit Information* calculation card that was automatically created for this payroll relationship.

   In the Calculation Card Overview pane, you can view the calculation groups associated with this calculation card. In this example, you can see the Federal and Regional calculation groups. You can also see ON under the Regional group. The province of employment is shown as a two-character code.
6. Click *ON* to view the Payroll Tax Information details applicable for the employee in Ontario.

Effective As-of-Date

The Effective As-of Date at the top of the page drives the date of the information displayed.

Show or Hide Records

When you update the components for future dates, date-tracked records are created. Once new records are created, the Hide or Show Prior Records option is displayed on the page. By default these new prior records are hidden, so you display them by selecting Show Prior Records. The current record is displayed first with all subsequent ones displayed after, in order of latest effective date.

Payroll Relationship Information

The Payroll Relationship component is completely collapsed by default. Expand it to view the details.

This component contains certain tax-related attributes that are associated with the employee's payroll relationship. These attributes directly affect taxation and are displayed on the tax card. The information is read-only and you can't edit it here.

This information is captured on the employee's assignment when you hire the employee. You can update the details after new hire by using the payroll relationship page.

How to Edit the Federal Components

The Federal component contains the employee's federal tax deduction details that are populated into the employee's TD1 or TD1X forms. Links are available for these forms and you can view the values in the actual government PDFs of these forms. These forms are not editable.

1. In the Calculation Card Overview pane, select *Federal.* The information you can edit includes:
    - Province of Employment
    - Federal Tax Information
    - Tax Exempt Information
    - Commission Information
2. Select *Edit - Correct.*
3. Enter the *Total Claim Amount* in the Federal Tax Information section.
4. Select the *EI Exempt* check box to exempt the employee from EI calculations.
5. Click *Save.*

How to Create a Tax Reporting Unit Association

The Associations component contains the TRU associations, assignments, as well as some other details that are associated with the TRU like, province of employment and vacation liability plan details. The associations components has these three sections:

- Basic Information: Contains the start date and the TRU association
- Canadian Taxation: Contains the component details, province of employment, vacation liability information, and the Apply Zero Total Claim Amount option.
- Association Details: Contains the assignments associated to the TRU. You can add additional assignments in this component.

The employee has taken a new assignment with a different TRU, and you must associate the new TRU with the existing tax card.

1. In the Calculation Card Overview section, click *Associations.*
2. Click *Create* in the Associations section.
3. On the Create Association window, select *InFusion 2* in the Tax Reporting Unit field.
4. Click *Save*.

> **Note:** You must save the association before you can create association details.

How to Create Association Details

You must associate calculation components with employment assignments or terms.

1. In the Association Details section, click *Create.*
2. On the Create Association Details window, select *E300100008926055* in the Assignment Number field.
3. Click *Save and Close.*

End Dating and Deleting Association Details

The **Delete** button in the Association Details section provides you the options to:

- Delete Record Permanently: Deletes the association detail record entirely.
- Delete Date-Effective Record: Deletes the association detail record as of the effective date entered. If no date-effective record exists, it's the same as the “Delete Record Permanently” option.
- End Date: End dates the association detail record.

Note the following when ending or deleting association details:

- You can only delete or end date the association detail records.
- You can’t delete or end date association records if it is processed in a payroll.

How to Change the Province of Employment

1. Select *Quebec* as the Province of Employment.
2. Click *Save and Close.*

   When you open the card again, you see the codes for Ontario and Quebec under the Regional groups.

How to Edit the Regional Component

The Regional component contains the employee’s provincial tax deduction details. You can access the provincial TD1 form from here and view the information government PDF.

At the time of new hire, a provincial card was created automatically because the employee's province of employment was Ontario. Since you have changed the province of employment to Quebec, you can now view the Quebec provincial card. You can view and edit the provincial tax information for Quebec as required.

1. In the Calculation Card Overview section, select *Regional.*
2. Select *Quebec* under the Regional group.
3. Select *Edit - Correct.* The fields you can edit include:
   - Provincial Tax Information
   - Tax Exempt Information
   - Commission Information
4. Complete the fields as required. Click *Save and Close.*

Record of Employment

Overview of Record of Employment

A Record of Employment (ROE) is given to an employee when there is an interruption in their earnings due to termination or leave of absence. The ROE is only issued to employees who work insurable hours and receive insurable earnings.

The ROE information helps Service Canada officials determine if an employee qualifies for Employment Insurance (EI) benefits when not working.

Before you generate the ROE file, consider the following:

- Legal reporting unit (LRU) contacts
- Occupation Reporting
- Reason Code Mapping
- Insurable earnings
- Reporting Information calculation card
- Configure Employee Level Information
- Archiving ROE information
- Generating the ROE file
- ROE Amendments

For more information, refer to Record of Employment Processing (2333848.1) at My Oracle Support.

Insurable Earnings

Insurable earnings are subject to EI premiums and are designated as such in the wage basis rules defined for the secondary classification. Use the Elements task to specify whether the insurable earnings are allocated by date earned or date paid when defining the element. You can also specify if there are insurable hours associated with the element.

Use the Component Group Rules task to view the earnings that are subject to Employment Insurance.

Use the View Person Process Results task to open and view the Statement of Earnings (SOE). You can view insurable earnings and insurable hours calculated for an element within the Run Results section of the SOE. You can also verify the insurable earnings and insurable hours that would be recorded in the ROE process for a pay period.

To exempt an employee from EI premiums, select the EI Exempt check box on the employee's federal tax card. An employee exempted from EI premiums isn't issued an ROE.

Reporting Information Calculation Card

Use the Reporting Information calculation card to capture the following ROE details pertaining to an employee:

- ROE Comments
- ROE Other Monies
- ROE Special Payments

- ROE Statutory Holiday Pay
- ROE Vacation Pay
- ROE Data

To generate a ROE for an active employee, create the Reporting Information calculation card with an effective start date that's on or before the effective date used to run the ROE Archive process. Then, run the ROE archive process by selecting either the Person or Payroll Relationship Group report parameter using the employee's final pay period end date as the effective date. If selecting a Payroll Relationship Group, all employees within the Payroll Relationship Group must share the same final pay period ending date.

> **Note:** The Reporting Information card must be created with an effective date within the employee's final pay period or termination date.

After you create an ROE calculation component, create the associated calculation component details and capture the attributes of the component. You must also specify the payroll in which the employee is paid. Multiple ROE calculation components can be created for the same component if multiple payments are being reported.

When adding some calculation components, you must specify the reference code. The reference code is a unique identifier for the payment.

The calculation card must have an association with a tax reporting unit (TRU).

If the employee subsequently has an interruption of earnings, regenerate the Reporting Information card. The First Day Worked reported on a subsequent ROE is the first work day following the Final Pay Period ending date on the previous ROE.

Employees with Multiple Assignments

A single ROE is generated to report insurable hours and earnings from multiple assignments in the same TRU and payroll. The primary assignment is used to report the employee's First Day Worked and the Employee Occupation.

TRU and Payroll Transfers

Generate an ROE when an employee is transferred to a different TRU or to a different payroll. This table details the type of transfers and how the ROE is generated in each case.

Type of Transfer	Description
Different TRU	When there is a TRU change for an employee, use the last day paid in the original TRU as the effective date when processing the ROE archive. If the employee is subsequently terminated, the new ROE will only consider payments from the date of TRU transfer to the termination date. The First Day Worked on a subsequent ROE defaults to the effective date of the TRU transfer. Update the TRU association of the Reporting Information card to reflect the new TRU.
Different payroll even when the payrolls have the same frequency	When there is a payroll change for an employee, use the last date paid in the original payroll as the effective date when processing the ROE archive. If the employee is subsequently terminated, then the new ROE will only consider payments from the date of the payroll transfer to the termination date. The First Day Worked on a subsequent ROE defaults to the effective date of the payroll transfer.
From one payroll frequency to another	When an employee transfers from one payroll frequency to another, the First Day Worked on a subsequent ROE defaults to the effective date of the payroll relationship change, which is the first day on the new payroll.

Type of Transfer	Description

Archive the ROE Information

Run the Run Record of Employment Archive process for an individual employee or a group of employees. The output of the process is an archive of the ROE information and a Record of Employment Worksheet.

Use the Person Process Results task in the Payroll area to open and view the ROE archive results. Access the Record of Employment Worksheet from the Regulatory and Tax Reporting work area after the archive is run. You can view the ROE Worksheet by searching for the ROE archive payroll flow name within the Regulatory and Tax Reporting work area.

Generate the ROE File

The Run Record of Employment Interface task uses the archived information to generate the ROE file. You can submit the generated file to Service Canada through ROE Web.

ROE Amendments

Generate an amended ROE when you must change, correct, or update the information you entered on an ROE you previously issued. The amended ROE must include the original data, the updated data, and the serial number of the original ROE. Use the following two processes to issue an amended ROE:

1. Import Record of Employment Data
2. Run Record of Employment Amendment Archive

Service Canada ROE Web assigns the serial numbers, and you must import them into the Oracle Cloud Payroll application in order to report them on the amended ROEs. The ROE Web provides an interface to extract the serial numbers in XML format. The XML file also contains information to identify the employee.

Related Topics

- Define Legal Reporting Unit Contacts for Canada
- How to View the Statement of Earnings

Configure Employer and Employee Information for ROE Processing

Prior to processing the Record of Employment (ROE), complete the configurations required for ROE processing. The configurations are done at both the employer level and the employee level.

Define Employer Level Information

This table lists the tasks for defining the employer level information for ROE processing.

- Define employer name and address
- Define ROE contact
- Define ROE occupation default

Task	Description
Define Employer Information	Define the employer's name and address, while defining the LRU. The Alternate Name is reported, if populated.
Define ROE Contact	Define the ROE contacts while defining the LRU. The ROE contact name and telephone number are mandatory for ROE Interface processing. The contact information is reported in Block 16 of the ROE. Define the ROE contacts on the Contacts page opened from the Manage Legal Reporting Unit page, while defining the LRU. You must set up the primary contact with phone details and attach the Legal Role of *Record of employment contact*. You can define additional contacts; however, designate the contact you want reported on the ROE as the primary contact. For more information, refer Define Legal Reporting Unit Contacts topic in the Help Center.
Define ROE Occupation	Select Job Name or Position Name from the list of values for the Record of Employment Occupation in the Payroll Statutory Unit Details region while configuring the Legal Entity HCM Information. If you don't make a selection, the Job Name is reported by default as the employee's occupation on the ROE. Access the Payroll Statutory Unit Details region using the Manage Legal Entity HCM Information task located in the Setup and Maintenance work area.
Define ROE Reason Defaults	Define ROE Reason defaults for absences and termination. Use the Manage Legal Entity HCM Information task in the Setup and Maintenance work area to configure the ROE Reason defaults at the PSU level. Create the mappings in the Payroll Statutory Unit Details region under the Record of Employment Mappings sections as given below: • Termination Actions -> Record of Employment Reason • Absences Secondary Classification -> Record of Employment Reason Once these mappings are configured, they're used by the ROE archive process to derive the Record of Employment Reason. Don't create the Reporting Information calculation card, if you don't want to override the default ROE Reason configured for the PSU. If no calculation card is created, the ROE Reason for the PSU is reported on the ROE.
Review Wage Basis Rules	The wage basis rules determine if an element is insurable. View the wage basis rules for the Federal Component Group and confirm that the earnings are subject to EI. Secondary classifications that are defined as subject to EI are automatically included in Blocks 15 A, B and C on the ROE. Classifications that aren't subject to EI, but are fed to a Block 17A or 17C balance or entered on the reporting information card, are also reported. Wage basis rules are predefined for all delivered secondary classifications. If you add a new secondary classification you must configure the wage basis yourself.
Define Earnings or Absence Elements for ROE Insurable Hours/Earnings	Specify whether the insurable earnings are allocated by Date Earned or Date Paid. Also, specify if there are insurable hours associated with the element.
Define Absence Elements for Event Creation	Define the Absence elements and specify if the absence element should create the ROE Notification event.
Define ROE Balances for Blocks 17A and 17C Reporting	Define balance feeds for Vacation Pay and Other Monies paid in the final pay period. For more information, refer Define ROE Balances for Blocks 17A and 17C Reporting topic in the Help Center.

Task	Description
ROE Notification Events	For an employee to be automatically included for ROE processing when an absence record is entered for a leave, the element associated with the absence plan must be defined to create an event notification.

For more information, refer Configure Earnings and Absence Elements for ROE Reporting topic in the Help Center.

Define Employee Level Information

This table lists the tasks for defining the employee level information for ROE processing.

Task	Description
Exempting an employee from EI premiums	You can exempt an employee from EI premiums by selecting the **EI Exempt** check box on the employee's federal tax card.
Setting the employee's correspondence language	The employee's language preference, Correspondence Language, is sent in the ROE Interface file to Service Canada so that they can generate the Record of Employment in the employee's preferred language. Select **Canadian French** as the employee's Correspondence Language in the Biological Information section of the Person page of the employee.

Create the Reporting Information Calculation Card

This example demonstrates how to create the Reporting Information calculation card. You must capture the Record of Employment (ROE) details pertaining to an employee on the Reporting Information calculation card.

While processing the ROE card details, the application takes into account employee assignments, terms, and payrolls within the same payroll relationship. Create the card within the employee's final pay period.

Use the Calculation Cards task in the Payroll area to create the Reporting Information calculation card for an employee.

Creating the Reporting Information card involves:

- Creating the calculation card
- Defining ROE Information for ROE Blocks 14 and 16 - ROE Data
- Defining ROE Information for ROE Block 17A - Vacation Pay
- Defining ROE Information for ROE Block 17B - Statutory Holiday Pay
- Defining ROE Information for ROE Block 17C - Other Monies
- Defining ROE Block 18 - Comments
- Defining ROE Information for ROE Block 19 - Special Payments
- Creating an association for the Reporting Information card

Before You Begin

Before you create the card, ensure that:

1. The new hire process for the employee is complete.
2. The employee has a payroll relationship and is assigned to a payroll.

How to Create the Reporting Information Calculation Card

To create the Reporting Information card:

1. Select **Calculation Cards** from the Payroll area in My Client Groups on the Home page.
2. On the Person Search page, enter these details.

Field	Value
Name	The name of the employee for whom you're defining the ROE details.
Legislative Data Group	The Legislative Data Group of the employee.
Effective As-of Date	The effective date of the card.

   Create the Reporting Information card with an effective date prior to the day the payroll is processed.
3. Click **Search** to display a list of matching payroll relationships.
4. Select the row for the person you entered in the Search section. This opens the Person Details page. Any available calculation cards appear in the Search Results.
5. Click **Create** to open the Create Calculation Card window.
6. In the Name field, select **Reporting Information** as the calculation card name.
7. Click **Continue** to display the Calculation Cards page.

   Create appropriate components as required. The various blocks on the ROE display the data captured within the application.

Define Block 16 Information - ROE Data

To define the ROE Data:

1. Click **Create** in the Calculation Components section.
2. On the Create Calculation Component window, select the **ROE Data**.
3. Select the **Payroll**. This is a required field. This is the payroll associated with the employee's assignment.
4. Select the **Tax Reporting Unit**. This is a required field. This is the Tax Reporting Unit associated with the employee's assignment on the tax card.
5. Click **OK**

   The component details are enabled by default for the related calculation component.
6. Click **Expand** in the ROE Data Calculation Component Details row.
7. Enter the following details in the ROE Data: Details window:
   a. Select the **Reason for Issuing ROE**. This is a required field. These values are defined by Service Canada and can't be revised.
   b. Select the **Expected Recall Code**. The options are:

- Not returning
- Unknown (default)
- Expected date of recall

c. Enter the **Expected Recall Date**, if applicable. This field is mandatory if the Expected Recall Code is Yes.
The Expected Recall Date is the expected date of return to work, if the date is known.

8. Enter the **Override First Day Worked**, if applicable. This date is reported as the first day worked instead of the derived date.
9. Enter the **Override Last Day for Which Paid**, if applicable. This date is reported as the last day for which paid instead of the derived date.
10. Click **Save**.

Define Block 17A Information - Vacation Pay

To define the vacation pay details:

1. Click **Create** in the Calculation Components section.
2. On the Create Calculation Component window, select the **ROE Vacation Pay**.
3. Select the **Payroll**. This is a required field. This is the payroll associated with the employee's assignment.
4. Select the **Tax Reporting Unit**. This is a required field. This is the Tax Reporting Unit associated with the employee's assignment on the tax card.
5. Click **OK**.
The component details are enabled by default for the related calculation component.
6. Click **Expand** in the ROE Data Calculation Component Details row.
7. Enter the following details in the ROE Vacation Pay: Details window:
   a. Select the **Pay Type**. The default is Balance. If 'Amount' is selected, all ROE Vacation Pay balances are ignored.
   If multiple codes are paid on the final pay period, 'Paid because no longer working' is reported.
   b. Select one of the following **Pay Codes**:
      - Included with each pay
      - Paid because no longer working
      - Paid for a vacation leave period
      - Anniversary paid on a specific date each year
   c. Enter the **Start Date** and the **End Date**, if applicable.
   These dates pertain to Vacation Pay dates being reported if applicable.
8. Enter the vacation pay amount in the **Amount** field. An entry is mandatory if the Pay Type is Amount. This field is left blank if the Pay Code is 'Included with each pay' or if the Pay Type is 'Balance'.
9. Click **Save**.

Define Block 17B Information - Statutory Holiday Pay

To define the Statutory Holiday Pay:

1. Click **Create** in the Calculation Components section.
2. On the Create Calculation Component window, select **ROE Statutory Holiday Pay**.
3. Select the **Payroll**. This is a required field. This is the payroll associated with the employee's assignment.
4. Select the **Tax Reporting Unit**. This is a required field. This is the Tax Reporting Unit associated with the employee's assignment on the tax card.
5. Select the **Reference Code**. The Reference Code is used as a unique description for the payment. This code is not reported on the ROE.

6. Click **OK**.
   The component details are enabled by default for the related calculation component.
7. Click **Expand** in the ROE Data Calculation Component Details row.
8. Enter the following details in the ROE Statutory Holiday Pay: Details window:
   a. Enter the **Date**.
   b. Enter the statutory holiday pay amount in the **Amount** field.
9. Click **Save**.
   If multiple statutory holidays are to be reported, a new component must be created for each entry.

Define ROE Block 17C Information - Other Monies

To define the Other Monies details:

1. Click **Create** in the Calculation Components section.
2. On the Create Calculation Component window, select the **ROE Other Monies**.
3. Select the **Payroll**. This is a required field. This is the payroll associated with the employee's assignment.
4. Select the **Tax Reporting Unit**. This is a required field. This is the Tax Reporting Unit associated with the employee's assignment on the tax card.
5. Select the **Reference Code**. The Reference Code is used as a unique description for the payment. This code is not reported on the ROE.
6. Click **OK**.
   The component details are enabled by default for the related calculation component.
7. Click **Expand** in the ROE Data Calculation Component Details row.
8. Enter the following details in the ROE Other Monies: Details window:
   a. Select the **Pay Type**. The default is Balance. If 'Amount' is selected, any ROE Other Monies balance that matches the Pay Code is ignored.
   b. Select the **Pay Code**. These values are defined by Service Canada and can't be updated.
   c. Enter the **Start Date** and the **End Date**, if applicable.
   d. Enter the Other Monies amount in the **Amount** field. An entry is mandatory if the Pay Type is 'Amount'. This field is left blank if the Pay Type is 'Balance'.
   e. Select **Yes** or **No** for the question, “Report the amount in the final pay period?”. The default is **Yes**.
      If the earnings represent insurable earnings, select **Yes**. This means that Block 17C reports the amount, and Blocks 15B and 15C pay period 1 are adjusted.
      If the earnings represent non-insurable earnings, select No. This means that Block 17C reports the amount, but Blocks 15B and 15C pay period 1 are not adjusted.
9. Click **Save**.
   If multiple 'Other Monies' are to be reported, a new component must be created for each entry.
   You can report up to three Other Monies balances in the Other Monies section of the worksheet and interface. If there are more than three entries for Other Monies, report them in the Comments section. If data has been entered in Comments, details of the Other Monies are appended to this data up to 150 characters. It is displayed as `code:amount`. For example, `B11:445.90,B06:654.25`.

Define Block 18 Information - Comments

To define the ROE Comments details:

1. Click **Create** in the Calculation Components section.

2. On the Create Calculation Component window, select the **ROE Comments**.
3. Select the **Payroll**. This is a required field. This is the payroll associated with the employee's assignment.
4. Select the **Tax Reporting Unit**. This is a required field. This is the Tax Reporting Unit associated with the employee's assignment on the tax card.
5. Click **OK**.

   The component details are enabled by default for the related calculation component.
6. Click **Expand** in the ROE Data Calculation Component Details row.
7. Enter the free-form comments in the ROE Comments: Details window. The field length is limited to 150 characters.
8. Click **Save**.

Define ROE Block 19 Information - Special Payments

To define the ROE Special Payments details:

1. Click **Create** in the Calculation Components section.
2. On the Create Calculation Component window, select the **ROE Special Payments**.
3. Select the **Payroll**. This is a required field. This is the payroll associated with the employee's assignment.
4. Select the **Tax Reporting Unit**. This is a required field. This is the Tax Reporting Unit associated with the employee's assignment on the tax card.
5. Select the **Reference Code**. The Reference Code is used as a unique description for the payment. This code is not reported on the ROE.
6. Click **OK**.

   The component details are enabled by default for the related calculation component.
7. Click **Expand** in the ROE Data Calculation Component Details row.
8. Enter the following details in the ROE Special Payments: Details window:
   a. Select from one of the following **Pay Codes**:
      - Paid Maternity, Parental, Compassionate Care, Ill Children
      - Paid sick leave
      - Not EI insurable wage loss indemnity
      - ROE insurable wage loss indemnity
   b. Enter the **Start Date** and the **End Date**.
   c. Enter the ROE special payments amount in the **Amount** field.
   d. Select a **Period**, Per Day or Per Week.
9. Click **Save**.

Define ROE Balances for Blocks 17A and 17C Reporting

When you define the earnings element, set up a feed to the appropriate ROE specific balance as given here. Vacation pay and other monies paid out in the employee's final pay period must be fed to ROE balances.

Vacation pay and other monies are reported in Blocks 17A (Vacation Pay) and 17C (Other Monies) on the ROE. Blocks 17A and 17C can be automatically populated by defining balance feeds for the elements that are reported in these blocks. When defining the earnings element, set up a feed to the appropriate ROE specific balance.

- For insurable earnings, feed the Insurable Earnings input value.
- For non-insurable earnings, feed the Earnings input value.

- For retroactive payments, feed the Retroactive Results element.
- Define balance feeds for the ROE balances so that Vacation Pay and Other Monies paid out in the employee's final pay period are reported automatically in Blocks 17A and 17C on the ROE.

This table lists the predefined ROE-specific balances.

ROE Block	Balances
ROE Vacation Pay (Block 17A)	ROE Vacation Pay - Anniversary Paid on a Specific Date Each Year
	ROE Vacation Pay - Paid Because No Longer Working
	ROE Vacation Pay - Paid for a Vacation Leave Period
ROE Other Monies (Block 17C)	ROE Other Monies - Closure Bonus
	ROE Other Monies - Event Bonus
	ROE Other Monies - Gratuities
	ROE Other Monies - Holiday Bonus
	ROE Other Monies - Honorariums
	ROE Other Monies - Other
	ROE Other Monies - Other Bonus
	ROE Other Monies - Pay in Lieu of Notice
	ROE Other Monies - Payout of Banked Overtime
	ROE Other Monies - Production or Incentive Bonus
	ROE Other Monies - Profit Sharing
	ROE Other Monies - Retiring Allowance, Retirement Leave credits
	ROE Other Monies - Retroactive Pay Adjustment
	ROE Other Monies - Separation or Retirement Bonus
	ROE Other Monies - Settlement Pay

ROE Block	Balances
	ROE Other Monies - Severance Pay
	ROE Other Monies - Sick Leave Credits
	ROE Other Monies - Staying, Contract Complete or End of Season Bonus
	ROE Other Monies - SUB Illness
	ROE Other Monies - SUB Layoff
	ROE Other Monies - SUB Maternity, Parental, Compassionate Care, Family Caregiver
	ROE Other Monies - SUB Training

Set the **Pay Type** field in the ROE Vacation Pay and ROE Other Monies calculation component details on the Reporting Information calculation card to **Balance** in order for the balances of these elements to be reported in these blocks. If dates aren't required for the balances reported, it isn't necessary to generate the Calculation Component for ROE Vacation Pay or ROE Other Monies.

Configure the Balance Feed to Report Vacation Liability Payouts in Block 17A

To report a vacation liability payout in Block 17A, configure the balance feed for the Insurable Earnings input value using the Vacation Payout Calculator (not the Vacation Payout Results) element.

Related Topics

- Configure Employer and Employee Information for ROE Processing
- Configure Earnings and Absence Elements for ROE Reporting
- Overview of Record of Employment

Configure Earnings and Absence Elements for ROE Reporting

When defining earnings or absence elements, there are specific questions on the element template related to ROE reporting. The questions determine whether:

- If the insurable earnings are allocated by Date Earned or Date Paid.
- If there are insurable hours associated with the element.
- If the absence element should create the ROE Notification event.

The element template has these three questions for ROE reporting:

- If this element is insurable, how are the earnings allocated?

  The options available for this question are **Date Paid** or **Date Earned**.

- Are there insurable hours associated with this element?

  The options available for this question are **Yes** or **No**.
- Should this element create a ROE event notification?

  The options available for this question are **Yes** or **No**.

Note: If the earnings aren't insurable as defined in the wage basis rules, the answers to these questions have no impact.

Insurable Earnings Allocation

As defined by Service Canada, different types of earnings are either insurable in the pay period in which they're earned (for example, regular salary and wages, overtime, and so on) or in the pay period in which they're paid (for example, bonus, shift premiums, and so on). Set up each insurable element with either a Date Paid or a Date Earned value.

Payrolls where the pay date is the same as the period ending date report 'Date Paid' earnings differently than payrolls where the pay period ending date is prior to the pay date. For payrolls where the pay date and pay period ending date are the same date, date paid and date earned elements are reported together in the same pay period.

For payrolls where there is a hold back, for example, when the pay period ending date is prior to the pay date, the date earned elements are reported in the current pay period. Date paid elements are reported in the following pay period when there is a hold back, as the pay date falls in the next period.

Insurable Hours

Insurable hours associated with the element are reported in Block 15A, Total Insurable Hours, on the ROE. Elements that are used to pay insurable retroactive payments are also included. If the base element is enabled for retroactive processing, the Retroactive Result element is also insurable for hours.

Insurable hours are captured as of the effective date entered when processing the ROE archive and two pay periods following that date. For example, if an employee terminates or goes on a leave of absence and is paid their final pay in pay period 10, any hours subsequently paid with a pay date that falls between the pay period begin and pay period end dates of pay period 11 or 12, are included in the ROE.

ROE Event Notifications

A ROE Notification event is created automatically when an employee:

- Goes on a leave of absence and the element associated with the absence plan is defined to create a ROE event notification.
- Gets terminated and a termination date is entered in the Work Relationship UI of the employee.

In both of these situations, the employee must have at least one day of insurable earnings in the 365 days prior to their termination date or to the absence.

Note: If the absence record is entered for a paid leave, the associated element must be defined not to create an event notification. An ROE should not be generated if there is no interruption of earnings.

Use the Event Notifications task under **Payroll** in My Client Groups on the Home page to view event notifications for employees. Select the **Legislative Data Group** and enter Event Report Type of **Record of Employment Notification** to view employees by the event Process Date.

ROEs are generated for unprocessed events that exist on or before the Effective Date parameter of the ROE Archive process. This table lists the event notification statuses.

ROE Event Notification Status	Description
Awaiting Processing	The ROE archive isn't been processed for the employee.
Deferred	Not supported for ROE events.
Processing	Not supported for ROE events.
Completed	The ROE archive was processed successfully for the employee.

The ROE Archive captures ROE information for employees included in the ROE Notification. Once the ROE Archive has been processed, the event is locked and can't be removed without first rolling back the ROE Archive process.

Terminated Employees

An ROE is generated if the termination date of the employee is on or before the Effective Date entered while processing the ROE archive. Earnings that are paid in the pay period of the termination and the two subsequent pay periods are reported on the ROE. If the payroll has a hold back, the pay date falls after the period end date, any payments made for elements that are allocated based on date paid must have a pay date that falls within the pay period begin and end dates of the two pay periods following termination.

If a termination is reversed and if the ROE archive hasn't been processed, the ROE notification record is deleted. If the termination date of an employee changes and the ROE archive hasn't been processed, the event process date is updated to reflect the new date.

Rehired Employees

When an employee is rehired and subsequently has an interruption of earnings, regenerate the Reporting Information card for each of the ROE Components and Component details by updating the effective date of each component. The ROE archive process ignores all pre-existing ROE Components and Component Details from prior ROE archives.

If the employee is hired into a different TRU, update the TRU association of the Reporting Information card for the new employment period.

Employees on Leave of Absence

An ROE is generated if the leave of absence start date in the employee's absence record is on or before the date entered in the Effective Date parameter when processing the ROE archive.

The ROE Archive uses the absence record start and end dates to derive the last date for which paid and the expected recall dates from the employee's work schedule. The last day for which paid is the last scheduled working day prior to the leave start and the expected recall date is the first scheduled working day following the absence record end date. For leaves that don't have an end date, the expected date of recall is set to 'Unknown'.

You can override the last day for which paid, first day worked, and expected recall dates if necessary using the Reporting Information card within the ROE Data Component. Create the Reporting Information card with the effective date of the first day of the leave. Following a leave of absence, the first day worked on subsequent ROEs is derived from the first scheduled work day following the last absence record end date.

If you delete the absence record and the ROE archive isn't processed, the ROE event notification record is deleted. If the start date is modified and the ROE archive hasn't been processed, the event is updated to reflect the new date.

Earnings that are paid in the pay period in which the absence record starts, as well as the two subsequent pay periods, are reported on the ROE. If the payroll has a hold back, the pay date falls after the period end date, any payments made in elements that are allocated based on date paid must have a pay date that falls within the begin and end dates of the two pay periods following the start of the leave.

If you create the absence record for a combination of paid and unpaid leave, the employee is added to the ROE event as of the start date of the leave. You can manually remove the employee from the ROE event and enter an override date for Last Day for Which Paid in the Reporting Information card, which would represent the start of the unpaid portion of the leave.

The expected date of recall defaults to the next working day following the actual end date of an absence. The work schedule is used to determine the next working day after the actual end date. If the employee is on an open-ended leave of absence the 'Unknown' code is reported.

Record of Employment Amendments

Generate an amended Record of Employment (ROE) when you must change, correct, or update the information you entered on an ROE you previously issued. Use these two processes to issue an amended ROE:

1. Import Record of Employment Data
2. Run Record of Employment Amendment Archive

Import Record of Employment Data

The amended ROE must include the original data, the updated data, and the serial number of the original ROE. Service Canada ROE Web assigns a serial number when you submit the original ROE file. Import this serial number into the Oracle Cloud Payroll application in order to report them on the amended ROEs. The ROE Web provides an interface to extract the serial numbers in XML format. The XML file also contains information to identify the employee.

Use the Import Record of Employment Data from the Data Exchange work area to import the ROE data. The ROE Web provides an interface to extract the serial numbers in XML format. The XML file also contains information to identify the employee. The application uses this imported information to generate the amended ROE.

Run Record of Employment Amendment Archive

Use the Run Record of Employment Amendment Archive in the Regulatory and Tax Reporting work area to archive the amended ROE. You can generate an amended ROE for an employee or employees within a payroll relationship group. You can only run the process for those employees for whom the ROE interface was processed and a serial number was updated in the application.

Once the Record of Employment Amendment Archive is complete, you can process the ROE interface to generate the new files with the corrected data, as well as the serial number.

Calculation Value Definitions

Overview of Calculation Value Definitions

A calculation value definition specifies how a value is provided or calculated. The value isn't necessarily monetary.

Typically, it's a flat amount or rate, but it could be a date or a text value, such as a tax code, depending on the calculation type. Some definitions hold the values in a table, so that different values apply to different employees.

There are predefined calculation value definitions used to calculate statutory and involuntary deductions. You can't edit predefined calculation value definitions.

You can create and edit calculation value definitions using the Calculate Value Definitions task in the Payroll area. For example, you can set defaults, turn the values into a range (0 -100), and make them enterable on the calculation card.

Value Definition Groups

When you create a calculation value definition, you can select an existing group or create a new one. The group categorizes related calculation value definitions.

Examples of value definition groups predefined for Canada include:

- Absences
- End of Year
- Deduction Rules
- Exemption Rules
- Federal Tax
- Fee Rules
- Limit Rules
- Provincial tax
- Time

Calculation Value Definition Rules

Calculation value definition rules help determine how deductions are processed and payments are calculated. This table lists the applicable rules.

Rule Name	What the Rule Does
Deduction Rules	Involuntary deductions may be calculated as a percentage of gross pay, net pay, all monies or a flat dollar amount. The court may set maximum amounts that can be deducted for each pay run, pay period, or on a monthly basis.
Exemption Rules	Protected pay is the amount of net pay an employee is left with after the involuntary deduction is taken. For each province and type of involuntary deduction, a portion of the earnings paid to an employee is exempt from involuntary deductions and set aside as protected pay. Regardless of multiple assignments or multiple runs in a pay period, protected pay should be applied.

Rule Name	What the Rule Does
	These rules apply to all employees in your legislative data group. If you set an override on a calculation component on the Involuntary Deductions card, it impacts only the employee associated with that card.
Fee Rules	Some involuntary deduction types have additional fees payable to the employer, the court, or other third-party organization. These rules define how those fees are levied. Canada supports the following two types of fees: • Initial Fee: One time payment normally paid on the first run of the deduction. • Processing Fee: Recurring fee normally paid each time the involuntary deduction is made. If you have selected an initial fee, the processing fee is deducted separately. The fee amount can be paid to a person or organization other than the recipient of the deduction payments.
Limit Rules	Limit rules define the total owed amount for involuntary deductions.

To view and edit the rules or create them:

1. Start the Calculate Value Definitions task.
2. Perform a search for a specific value definition groups.

   You can narrow this search by providing additional information in the Name field.

   For example, for Quebec Exemption Rules, query by the province name, such as "Quebec%". To search for federal values, use "Tax Levy%", "Garnishments%", or "Maintenance and Support%",
3. Select a predefined rule to view its details.

   Click **Create** to define a new rule.

Examples of Calculation Value Definitions

Use these deduction examples to understand calculation value definitions for Canada. The calculation value depends on where the employee falls in an earnings range.

The From and To values of the range can be static or dynamic. Dynamic values are a fraction of the value of a database item, such as gross earnings. You can see how you can override the default calculation type for selected values in the range.

Static Values

The calculation value definition for a regional income tax uses a default calculation type of Flat Rate. However, for the lowest and highest incomes, a flat amount applies. For these two values, the Flat Amount calculation type overrides the default type, and uses a monetary value rather than a percentage. The **Basis of Calculation Values** field is blank, so the values are static.

This table shows sample static values for a calculation value definition:

From Value	To Value	Calculation Type Override	Rate or Amount
0	199	Flat Amount	0
200	999	_	4 (percent)
1000	1999	_	6 (percent)
2000	999,999,999	Flat Amount	300

Dynamic Values

The calculation value definition for a tax exemption uses a default calculation type of Incremental Rate. The first and last values specify the Flat Amount calculation type, which overrides the default type. The **Basis of Calculation Values** field specifies the Gross Earnings YTD database item. This means the From and To values represent a percentage of year-to-date gross earnings.

This table shows sample dynamic values for the calculation value definition:

From Value	To Value	Calculation Type Override	Rate or Amount
0	.1	Flat Amount	300
.1	.2	_	10 (percent)
.2	.9	_	30 (percent)
.9	1	Flat Amount	0

The first row defines a flat amount of 300 CAD that applies to the first 10 percent of the gross earnings. The second row defines a 10 percent rate that applies to the next 10 percent of gross earnings. The third row defines a 30 percent rate that applies to between 20 and 90 percent of gross earnings. The final row defines a flat amount of 0 CAD between 90 and 100 percent.

Employee Net Pay Threshold

To avoid issuing low-value employee cheques, define a threshold amount so that any amount below the threshold amount is automatically applied to the employee's Federal Tax obligation. Anything above the threshold amount are paid out as normal.

Use the Calculation Value Definitions task in the Setup and Maintenance area to define the Employee Net Pay Threshold value. This value is defined for the legislative data group (LDG) so that it applies to all organizations.

Note: The employee must have a Federal Tax deduction amount to which the amount below the threshold is added. If the employee doesn't have a Federal Tax deduction amount, Net Pay adjustment doesn't occur and the amount below the threshold is paid as normal. The Net Pay adjustment doesn't occur if the threshold amount isn't set up at the LDG level.

Complete these steps to set up the Employee Net Pay Threshold:

1. Navigate to **Setup and Maintenance** area on the Home page.
2. Search for and select the **Calculation Value Definitions** task.
3. Enter **Employee net pay threshold** in the Name field, select a Canadian LDG, and click **Search**.
4. Select **Employee net pay threshold**.
5. In the Calculation Values section, click **Add** and enter these range values.

Field	Value
From Value	0
To Value	999,999,999
Calculation Type Override	Flat Amount
Flat Amount	Enter the dollar amount of the threshold, for example, 2.

6. Click **Submit**.

If you have configured the threshold amount, these shadow elements are created to calculate the Net Pay:

- Federal Withheld Adjustment Results
- Federal Supplemental Withheld Adjustment Results

Enterable Values on Calculation Cards

Some values entered on a calculation card override values defined in a calculation value definition.

For example, you might set a default tax rate for the legislative data group, and allow the rate to be overridden by a flat amount entered on a personal calculation card.

The following table explains where you can enter override values on calculation cards. It also provides the order in which the Calculate Payroll process checks for values entered on calculation cards. When the process finds an entered value, it stops checking and uses the values defined at that level.

Order	Type of Values	Task
1	Values for a payroll relationship on any type of calculation card	Calculation Cards

Order	Type of Values	Task
2	Values for a tax reporting unit for certain deductions, which vary by country or territory	Legal Reporting Unit Calculation Cards
3	Values for a payroll statutory unit for certain deductions, which vary by country or territory	Legal Entity Calculation Cards

Allowing Enterable Values on Calculation Cards

The ability to enter values on calculation cards is controlled by the Enterable Calculation Values on Calculation Cards section of the calculation value definition:

- For user defined calculation value definitions, you can specify an enterable calculation value in this section. You provide:
  - The display name to appear on the calculation card.
  - The value type, such as total amount or additional amount.
- Enterable values for statutory and involuntary deductions are predefined. You can't allow new enterable values for predefined calculation value definitions.

Enterable Value Types

The list of value types available for entry depends on the calculation type. For example, you can enter the percentage value for a flat rate calculation or the monetary value for a flat amount calculation.

The following value types are available for all calculation types except text:

Value Type	Description
Calculation value definition	Uses the calculation value definition entered on a calculation card to calculate the amount.
Total amount	Uses the amount entered on the calculation card as the total amount.
Additional amount	Adds the amount entered on the calculation card to the calculated amount.

Related Topics

- Examples of Creating Calculation Cards for Deductions at Different Levels
- Calculation Value Definitions Examples

Enterable Values on the Personal Calculation Card

Use the predefined Tax Credit Information personal calculation card to define components to calculate, process, and report taxes for Canada. Aspects of the card include:

- Component Groups and Calculation Components
- Associations
- Calculation Card Overrides

Some values entered on a calculation card override values defined in a calculation value definition. For example, you can override an employee's exemption rules for protected pay for a legislative data group on their Involuntary Deduction card.

These are the two component groups that Canadian statutory calculations are broadly categorized into:

- Federal
- Regional

Statutory calculations are based on the taxability rules and tax deduction rates at both the federal and provincial levels. For all provinces except Quebec, the federal and provincial taxes are collected as a single component: federal tax. For Quebec, they're separated into two components: federal tax and provincial tax. In addition, you also have applicable provincial and payroll taxes depending on your province of employment.

Component groups appear in the Calculation Card Overview section of the Calculation Cards page. Each component group supports a set of calculation components that capture data used to process the calculation.

Federal Component Group

The federal calculation group has these three calculation components:

- Federal Tax
- Employment Insurance (EI)
- Canada Pension Plan (CPP)

You can enter information in these three sections of the tax card:

- Federal Tax Information
- Tax Exempt Information
- Commission Information

Federal Tax Information

The Federal tax calculation is applicable in all provinces. The values you can enter for Federal Tax Information include:

- *Total Claim Amount* value represents the federal basic personal amount. This amount is displayed on the calculation card. Each year the basic amount is updated. If an employee has only the basic personal amount, they need not enter anything in the Total Claim Amount field.

  If the employee has a total claim amount different than the basic amount, enter that amount here. This override isn't reset to the basic amount or updated at the beginning of the year. It remains the same until modified by you. In this case, enter 0 for the total claim amount.

  If an employee states that their total expected income from all sources is less than the total claim amount, the employee is exempt from tax deductions. This includes federal, provincial, or territorial taxes.
- *Annual Deduction* value represents a tax reduction relating to child care and alimony expenses that's authorized by a tax services office, government, or court. It applies to federal tax calculations.

- *Federal Tax Rate* overrides the federal tax calculations.
- *Prescribed Zone Deduction*: An employee living in a prescribed zone is eligible for additional tax exemptions. Enter the deductions in the Prescribed Zone Deduction field on the employee's personal card. For Quebec, enter the deduction in the Designated Remote Area Deduction field.
- *Federal Tax Amount* is an override to the federal tax calculations.

  The Federal Tax Amount does the following:

  - In a payroll that only processes elements with regular taxation, the Federal Tax Amount replaces the tax calculation.
  - In a payroll where only elements with nonperiodic taxation are processed, the Federal Tax Amount replaces the tax calculation.
  - In a payroll run that processes elements with regular and nonperiodic taxation, the Federal Tax Amount replaces the tax calculation for elements with regular taxation. The application calculates tax on the elements with nonperiodic taxation independently.
  - In a payroll run that processes elements with lump sum taxation, the Federal Tax Amount is ignored.

  If there is an Additional Tax value for the employee, the application deducts Additional Tax in addition to the Federal Tax Amount.

To exempt an employee from paying federal tax:

- Select the Federal Tax Exempt check box on the calculation card.
- If the employee is Status Indian, select the Indian Exempt Status check box in the Payment Details: Additional Information section of the Hire an Employee - Employment Information page. Selecting the check box stops the tax from calculating.
- *Other Tax Credits*: This is an amount specified by the government to reduce income tax amount. Enter the other tax credits amount on the tax card.
- Commission Information: The values you can enter for Commission Information at the federal level include the following:
  - Annual Income Including Commission: The expected income of a commissioned employee in the calendar year. Derive this value from the employee's TD1X form and enter this value on the tax card.
  - Commission Expenses: The expected expenses of a commissioned employee in the calendar year. Derive this value from the employee's TD1X form and enter it on the tax card.
- Estimated Annual RRSP: The estimated amount of RRSP an employee is expected to contribute in the calendar year.

Tax Exempt Information

The values you can enter in this region are:

- *CPP Exempt*: Use this check box to indicate if the employee is exempt from CPP tax calculations.
- *CPP Revocation Date*: This date is applicable to those who have elected in a previous year to stop contributing to CPP and want to revoke that election. CPP contributions will begin after this date. If the date isn't the first of the month, CPP contributions will begin from the month following this date.
- *CPP Election Date*: This date is applicable to those who are currently receiving a CPP or Quebec Pension Plan (QPP) retirement pension and want to stop the contributions.

  The above two date fields become enterable if the person is between 65 and 70 years of age.

- CPT30 Election Date: If you pay an employee after the CPP Election Date on their tax calculation card, the application prorates the CPP Withheld and CPP Taxable annual maximum limits. The prorated amounts are based on the number of months they were subject to CPP in the year. If the employee contributions are over this limit, the CPP Withheld is refunded. The application adjusts the CPP Taxable amount to bring the year-to-date values in line with the prorated limits.

  Include in the CPP Excess balance, payments that are subject to CPP and are paid to the employee after the CPP Election Date.
- *EI Exempt: Use this check box to indicate if the employee is exempt from EI tax calculations.*
- *Indian Exempt Status*: Use this check box to indicate if the employee has an Indian status.

  Capture this information at the assignment level. If the employee has multiple assignments and if one of them has Indian Exempt Status, the employee is exempt from federal and provincial tax deductions.
- Percentage of Duties on a Reserve: Use this to exempt a portion of the employee's income for duties performed on a reserve. This field is only applicable if the Indian Exempt Status field is checked, and applies to all earnings associated with the payroll assignment in question.
- *Federal Tax Exempt*: Use this check box to indicate if the employee is exempt from federal tax calculations.

Regional Component Group

Calculation Components under the Regional group are: Provincial Tax, Payroll Tax, and Quebec Taxes. The values displayed in the card depend on the province of employment.

- *Payroll Tax*: Payroll tax is applicable only in Nunavut and Northwest Territories. Select the Payroll Tax Exempt check box to exempt an employee from this tax.
- *Provincial Tax*: Provincial tax is an income tax applicable only for Quebec. Select the Provincial Tax Exempt check box to exempt the provincial tax deductions for this employee. You can override the tax calculation with a flat amount or rate.
- *Quebec Taxes*: For all provinces other than Quebec, collect the federal and provincial taxes as a single component: federal tax. For Quebec, separate them into two components: federal tax and provincial tax.

  Quebec Pension Plan (QPP) is similar to CPP and is applicable only in the province of Quebec.
- Quebec Parental Insurance Plan (QPIP) contribution is for parental leaves in Quebec.

  You can select the relevant check box to exempt the employee from both or either QPP or QPIP tax calculations.

- *Ontario Tax Credits*: Employees in the province of Ontario are eligible for an additional reduction in their taxes depending on the following:
    - Number of the employee's dependents under the age of 19
    - Number of disabled dependents the employee supports

- Commission Information: The values you can enter for Commission Information for Quebec include the following:
    - *Annual Commission Income*: The expected commission income of a commissioned employee in the calendar year. Derive this value from the employee's TP1015R form and enter this value on the tax card.
    - *Commission Expenses*: The expected expenses of a commissioned employee in the calendar year. Derive this value from the employee's TP1015R forms and enter it on the tax card.

- *Labour Fund Contributions*: A tax calculation reduction applicable only when the employee has deductions related to labour-sponsored funds. Enter the annual value of the contribution on the tax card. This is applicable to British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Quebec, Saskatchewan, and Yukon.

  > **Note:** For Quebec, there is a 15 percent tax credit on the value entered.

- *Additional Tax*: This value represents the amount an employee elects to have deducted as extra tax, in addition to the tax calculation. Enter the amount in Canadian Dollars only and it applies to Quebec only. Derive this value from the forms and enter it on the tax card.
- *QPP Exempt*: Use this check box to indicate if the employee is exempt from QPP tax calculations.
- *QPP Revocation Date*: This date is applicable to those who have elected in a previous year to stop contributing to QPP and want to revoke that election. QPP contributions will begin after this date. If the date isn't the first of the month, QPP contributions will begin from the month following this date.
- *QPP Election Date*: This date is applicable to those who are currently receiving a Quebec Pension Plan (QPP) or a Canada Pension Plan (CPP) retirement pension and want to stop the contributions.
    - The above date fields become enterable if the person is between 65 and 72 years of age.

Associations

Associate a calculation card with a tax reporting unit (TRU). The association happens automatically if you select the TRU in the payment details. This association enables the payroll process to apply rules and rates defined for the TRU when calculating deductions. It also controls the aggregation of deductions for tax reporting. Associations are comprised of the following components:

- Basic Information
- Canadian Taxation
- Association Details

These components contain the TRU associations, assignments, including some other details that are associated with the TRU.

Basic Information:

The Basic Information component contains the start date and the TRU.

Canadian Taxation:

The Canadian Taxation contains the information for the employee. You can edit these details as needed. The values you can enter in this region are:

- Province of Employment: The province of employment defaults to the work location of the employee, if defined during the hiring process. For any subsequent changes to the employee work location, you must edit the card manually to update the province of employment.
- Vacation Liability Plan: Select the vacation liability plan for the employee.
- Vacation Service Date: The employee's hire date determines how the length of service of the employee is calculated. If the employee's hire or rehire date isn't the date that should be used to calculate the length of service for vacation pay purposes, use the Vacation Service Date on the employee's calculation card to specify a different date. If the Vacation Service Date is entered, it's used to calculate the employee's length of service.
- Apply Zero Total Claim Amount: For employees that are paid in more than one TRU at the same time, the Total Claim amount should only be applied for their primary TRU tax calculation. This is to avoid applying the Total Claim Amount more than once for the same employee, therefore under deducting Federal Tax. To accomplish this, use this checkbox. This field is unchecked by default. If it is checked, the tax calculation uses zero for both the Federal and Provincial Claim amounts. In multiple TRU scenarios, you should check this field for all TRUs, other than the primary TRU. This ensures that the Total Claim Amount is only applied once for the tax calculation of the primary TRU.

Association Details:

Association details link calculation components with assignments. Each component must be associated with one or more assignments. In the Assignments section, you may add a new assignment, or delete an existing assignment.

Change TRU for an Assignment

To end date or delete association detail records, use the **Delete** button in the Association Details section on the Tax Credit Information card. The association detail records are for a pre-existing assignment on the tax card. Select any of these options as required.

- Delete Record Permanently to delete the association detail record entirely.
- Delete Date-Effective Record to delete the association detail record as of the entered effective date.
- End Date to end date the association detail record (defaults to the effective date).

> **Note:** If a record contains an end date, as of the effective date of the change, the card displays the **Clear Date** option.

Consider the following when end dating an association:

- You can only delete or end date the association detail records.
- You can't delete or end date association records if it's processed in a payroll.

To transfer an assignment from one TRU to another:

1. End date the assignment one day before the TRU transfer effective date.
2. Create a new association record for the new TRU.
3. Add the assignment to the new TRU association on the TRU transfer effective date.

Calculation Card Overrides and Lump Sum Rate Overrides

Calculation cards at different levels capture different information. The information defined at a lower-level overrides value defined at higher levels. An entry defined on the personal calculation card overrides the values defined at the TRU or payroll statutory unit level.

Lump Sum Overrides

Use these fields on the employee's tax card to enter overrides to the federal or provincial lump sum rates:

- Federal Lump Sum Rate
- Provincial Lump Sum Rate (Quebec only)

Enter a value to override the prescribed rates used for calculation of taxes for lump sum payments. The lump sum payments are spread across multiple pay periods. If you don't override the rate, the deduction calculation uses the prescribed rate.

Indian Exempt Status

Under certain conditions, an employee with an Indian Exempt Status might be eligible for federal and provincial tax exemptions. In this case, capture their exempt status to stop the tax calculations. However, payroll tax is still deducted for Nunavut and Northwest Territories.

Capture the Indian Exempt Status of the employee during the new hire process. You can capture this information using the check box in the Additional Information section under Payment Details of the Hire an Employee, Employment Information page. After an employee is hired, you can also update this information in the **Payroll Assignment Details** on the Payroll Relationships page. To exempt the employee from federal and provincial taxes, select the Indian Exempt Status check box.

If an employee has multiple assignments and at least one assignment has a status of Indian Exempt Status, the Indian Exempt Status displays as *Yes*. The status is displayed on the personal calculation card of the employee. The employee is then exempted from federal and provincial tax. You can't update this status on the personal calculation card because it's only a display field.

Exempting a Percentage of Income for Duties Performed on an Indian Reserve

Additionally, you can exempt a portion of the employee's income for duties performed on a reserve.

Use the **Percentage of Duties on a Reserve** field to capture the percentage of employment duties while working on an Indian reserve. This field also appears in **Payroll Assignment Details** on the **Payroll Relationships** page, where the **Indian Exempt Status** field is located. This field is only applicable if the Indian Exempt Status field is checked, and applies to all earnings associated with the payroll assignment in question.

To summarize the functionality:

- If no percentage is entered, all wages are considered as Indian exempt wages.
- If a percentage is entered, only that percentage of earnings are Indian exempt, and taxes are calculated only on the remaining earnings.

Note: Tips and considerations of this feature:

- If multiple assignments exist for the employee, you can configure different percentages based on the assignment. Note that an employee may have assignments which are Indian Exempt and some which are not.

Year-End Reporting of Indian Exempt Wages

For proper reporting at year-end, you must create a separate element to pay Indian Exempt Status. This enables you to create the necessary balance feeds to the year-end reports.

If you are pointing a particular element result to a year-end box for Indian Exempt Status, you cannot use the same element for non-Indian exempt employees. For example, you could not point an element to **T4 Other Information Code 94 (Indian RPP contributions)** and use this same element for non-Indian exempt employees.

Year-End Reporting of Indian Exempt Wages

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For more information on year-end reporting and adjusting balances in this case, please see the **End-of-Year Processing** guide located at the Information Center: Fusion Human Capital Management – Canada (Doc ID 2102586.2), CA – Payroll tab.

Calculation Types in Calculation Value Definitions

The calculation type determines which values you must provide in the Calculation Values section of the Create or Edit Calculation Value Definition page.

For example, if you select Flat Amount as the calculation type, then you must provide a flat amount value. You specify a default calculation type for the definition, which you can override on individual rows in the Calculation Values section.

Predefined Calculation Types

Predefined calculation types are available for each type of calculation. These work in conjunction with the predefined payroll formulas that contain specific rules for each calculation type, such as the CALL_CALC_VALUE formula.

This table describes the predefined calculation types, and indicates whether a calculation type is available for selection when you create a new value definition.

Calculation Type	Description	UOM	Available in Create Flow
Flat Amount	Uses the specified flat amount as the total amount.	Money	Yes
Flat Amount Times Multiplier	Multiplies a flat amount by a multiplier value. If you select this option, you must specify a database item that provides the value of the multiplier.	Money	Yes

Calculation Type	Description	UOM	Available in Create Flow
Rate Definition	Retrieves a value by calling a rate definition.	Money	Yes
Number	Uses the number entered on the value definition as the calculated value.	Number	Yes
Flat Rate	Applies the specified percentage rate to the balance. For example, to apply a rate of 10 percent, enter 10.	Number	Yes
Incremental Rate	Applies a different percentage rate to portions of the balance. For example, assuming that the balance is 80,000, you could apply a 1 percent rate for the first 20,000 of the balance. A 3 percent rate for the next 30,000, and a 5 percent rate to the next 30,000. This is also referred to as a blended rate.	Number	Yes
Flat Rate by Derived Base	Applies the percentage rate to a value. This value type derives the value from another value definition.	Number	Yes
Identifier	A new calculation type is required to support identifiers. For example, the value definition could capture a job ID and the value set feature would enable the user to display the name of the job on the page.	Number	Yes
Text	Uses the specified character string as the calculated value.	Text	Yes
Date	Uses the date entered as the calculated value.	Text (YY-MM-DATE, HOURS MINS SECS)	Yes
Conditional Flat Amount	Uses the specified flat amount if the condition defined in the Calculation section is met. For example, if a person's filing status is married or head of household, that person qualifies for an exemption. In such a scenario, you specify a flat amount value in the value definition and the condition database item returns the person's filing status.	Money	No

Calculation Type	Description	UOM	Available in Create Flow
	This calculation type supports predefined calculations, such as tax and social insurance.		
Flat Calculation Total	Supports retrieving value definitions for different range value criteria, including predefined calculations, such as tax and social insurance.	Money or Number	No
Incremental Calculation (Graded)	Supports retrieving value definitions for different range value criteria, including predefined calculations, such as tax and social insurance.	Money or Number	No
Standard Formula 1	Calculates the total amount based on the following formula: `y = Ax - Bz` Where: • `y` is the deducted amount. • `x` is the calculated amount. • `A` and `B` are specified values. • `z` is a factor from a predefined formula. The value defaults to 1.	Money or Number	No
Standard Formula 2	Calculates the value based on the following formula: `y = (x - A) x B + Cz` Where: • `y` is the deducted amount. • `x` is the calculated amount. • `A`, `B`, and `C` are specified values. • `z` is a factor from a predefined formula. The value defaults to 1.	Money or Number	No

Specify View Objects

A view object is a query result set. You can specify a view object to define the valid values that are available to the selected calculation type.

Note:

- The view objects you can specify vary depending on the calculation type. For example, if the calculation type is **Conditional Flat Amount**, then specify view objects for the condition and flat amount values.
- When you specify a view object, include the fully qualified path name, such as:
  `oracle.apps.hcm.locUS.payrollSetup.details.publicView.UsStatePVO`

Related Topics

- How Entries of Personal Calculation Cards Fit Together
- Calculation Value Definitions Examples
- Calculation Value Definitions

Wage Basis Rules

Overview of Wage Basis Rules

Wage basis rules introduce a way to identify the federal and provincial factors that determine the calculation of balances.

The calculation of balances is based on the references (contexts) selected at the deduction level. Each wage basis rule is associated with a secondary element classification.

Wage basis rules are predefined for all the available secondary classifications. In case you create a new classification, you must create the wage basis rules for the new classification. Wage basis rules are either at the regional level or at the federal level.

Use the Component Group Rules task in the Payroll area to view the predefined rules or create rules. The rules are based on the deduction types. The wage basis rules are date effective.

Contexts for Wage Basis Rules

You can associate a wage basis rule with up to four references that define the context for the rule. Each reference has a number that determines the sequence in which it's evaluated for processing relative to other references.

Contexts or references are defined for each deduction type and each context has a context usage defined. The context usages defined for Canada include:

- Statutory reporting types or combinations of year end forms
- The primary and secondary classification of the elements
- The province associated to the deduction type. This is only applicable to regional component wage basis rules.

Deduction Types and Classifications

The wage basis rules are based on the deduction types.

Oracle Fusion Human Capital Management for Canada delivers the current wage basis rules for federal and provincial levels for a number of secondary classifications. These wage basis rules define if a particular classification of earning is subject to the following:

- Federal and Provincial Tax
- Payroll Tax
- Canada Pension Plan or Quebec Pension Plan
- Employment Insurance
- Quebec Parental Insurance Plan
- Provincial Medical
- Workers' Compensation
- Vacation

The wage basis rules also define how earnings contribute to the disposable income for the different involuntary deduction types. For Earnings, a check mark indicates that the earning is subject to that tax.

Regular and overtime earnings are always subject to Federal and Provincial taxes. However, Pretax Deductions, Supplemental Earnings and Taxable Benefits, may be subject to different types of taxes and tax withholding at the federal and provincial levels.

For Pretax Deductions, a check mark indicates that the deduction doesn't reduce the subject wages. If no check mark is present, the deduction reduces the subject wages.

Statutory Reporting Types

You must associate the secondary classification to a reporting type. This enables the element template and the wage basis rules to automatically create the required feeds and contexts so that the correct tax processing occurs. The values for the reporting types are:

- T4/RL1
- T4A/RL1
- T4A/RL2

Examples of Wage Basis Rules

The following examples illustrate how wage basis rules affect a tax calculation and pay.

Province of Employment

The province in which you carry out work controls your payroll deductions. So, if I live in Ontario but work in Quebec, my deductions are based on the Quebec deduction guidelines, and not those of Ontario.

Each province has two levels of Income Tax, Federal Tax and Provincial Tax. In all provinces except Quebec, this tax is calculated separately but deducted as one tax called Federal Tax. Each employee paid in Quebec receives both a Federal Tax and Quebec Tax (provincial tax) deduction.

Quebec Parental Insurance Plan (QPIP) provides wage loss replacement to those who take time off from work for parental, maternity, or adoption leave. This tax is deducted only in Quebec.

Similarly, the Northwest Territories and Nunavut territories each have a Payroll Tax based upon the total wages paid to an employee.

For example, a person working in:

- Ontario is subject only to Federal Tax deductions, Canada Pension Plan (CPP), and Employment Insurance (EI)..
- Quebec is subject to the Federal Tax, Provincial Income tax and , Quebec Pension Plan, QPIP, EI.
- Northwest Territories is subject to the Federal Tax deductions, CPP, EI, and the territorial taxes.

This table shows how wage basis rules for tax calculation vary for three different provinces:

Region (Reference Value)	Federal Deductions	Provincial Income Tax Deductions	Territorial Taxes	Parental Insurance Plan
Ontario	Yes	Included in Federal Tax Deductions	No	No
Quebec	Yes	Yes	No	Yes
Northwest Territories	Yes	Included in Federal Tax Deductions	Yes	No

Wage Basis Rules for Involuntary Deductions

The processing rules for Canadian involuntary deductions vary for each province and for each type of involuntary deduction.

The application provides the provincial rules for all predefined primary and secondary classifications. Wage basis rules define how earnings contribute to the subject wages for the different involuntary deduction types.

Use the Component Group Rules task in the Payroll area to create and view wage basis rules.

The calculation of an involuntary deduction can be based on one of these factors:

- *Gross pay*: Includes all earnings (excluding Nonpayroll payments).
- *Net pay*: Includes Gross pay minus the following statutory deductions:
    - Canada Pension Plan
    - Quebec Pension Plan
    - Employment Insurance
    - Quebec Parental Pension Plan
    - Federal Tax
    - Provincial Tax
    - Payroll Tax
- *Net pay less specific deductions*: Includes Gross pay minus the following statutory and specific deductions:

- Canada Pension Plan
- Quebec Pension Plan
- Employment Insurance
- Quebec Parental Pension Plan
- Federal Tax
- Provincial Tax
- Payroll Tax
- Specific pretax deductions

How to View Predefined Wage Basis Rules

To view the wage basis rules predefined at the provincial and federal level:

1. From the area in My Client Groups, select the **Component Group Rules** task.
2. On the Component Group Rules page, select a Canadian **Legislative Data Group** and click **Search**.
3. In the tree structure, expand the **Involuntary Deductions** node. You can resize the Calculation Component Group Overview pane to view the tree.
4. Expand the **Wage Basis Rules** node.
5. Expand the **Related Deductions** node. You can see the three secondary classifications of Garnishments, Maintenance and Support, and Tax Levy.
6. Select the appropriate classification and select a Province node to view province-specific rules.

A table of all wage basis rules display, organized by province and deduction type.

The deductions column has different meanings for earnings and deductions:

- For earnings, they identify the classifications that contribute to the disposable income for that deduction type.
- For deductions, they identify the classifications that are subject to disposable income and don't reduce the disposable income for calculations of the indicated involuntary deductions.

The following applies to the wage basis rules:

- A check mark indicates that the earning contributes to the disposable income for the involuntary deduction calculation.
- Absence of a check mark indicates that the earning does not contribute to the disposable income for that involuntary deduction calculation.
- For Pretax Deductions primary classifications, a check mark indicates that the deduction does not impact the disposable income.
- For Pretax Deductions primary classifications, absence of a check mark indicates the disposable income is reduced by the pretax deduction amount prior to the involuntary deduction being calculated.

While Garnishments and Maintenance and Support have rules defined by province, Tax Levies apply to all provinces and therefore have no province context.

Province Override

By default, the employee's home address determines the province used by the wage basis rules. However, you may override the default province in the employee's involuntary deduction calculation card.

How to Create Wage Basis Rules

When you create a new secondary classification, earnings or deduction, you can also define wage basis rules for it:

1. From the Payroll area, select the **Component Group Rules** task.
2. On the Component Group Rules page, select a Canadian **Legislative Data Group** and click **Search**.
3. Select the Component Group **Involuntary Deductions**.
4. Under the Component Group Rules pane, navigate in the tree structure to the **Related Deductions** node for the appropriate deduction type.
5. Select the **Wage Basis Rules** node. A table of all wage basis rules displays, organized by province and deduction type.
6. Select **Actions** and click **Create**. The Create Wage Basis Rule page appears.
7. Enter the information required for new wage basis rule as listed in this table.

Field	Comments
Effective Start Date	It's recommended to use either the implementation date or the earliest date a pay period exists.
Year End Forms	Select the year end form for reporting this deduction or earning.
Province	Select the Province for which you're defining the wage basis rules, example, Ontario. **Note:** Although the UI doesn't denote this field as required, this information is necessary for creating the provincial tax rules.
Primary Classification	Select the Primary Classification as Involuntary Deductions.

8. Click **Submit**.

Create a Wage Basis Rule

Wage basis rules are predefined for all the delivered secondary classifications. You can't change the predefined rules; you can only create date-effective rules. When you create a new secondary classification, create the wage basis rules for the new classification.

Use the Component Group Rules task from the Payroll area to create a wage basis rule.

To create a wage basis rule:

1. From the Payroll area, select the *Component Group Rules* task.
2. On the Component Group Rules page, select a Canadian *Legislative Data Group* and click *Search*.
3. Select the *Regional* node, to define wage basis rules at the provincial level. For example, Workers Compensation rules for Ontario.

The earnings considered to determine the amount used to calculate the Workers' Compensation liability amount is dependent on the rules defined for the province.

4. Under the Component Group Rules pane, navigate in the tree structure to *Related Deductions > Workers Compensation > Wage Basis Rules*.
5. Select *Actions > Create.* to open the Create Wage Basis Rule page.
6. Enter these details:

Field	Requirement	Comments
Effective Start Date	Required	It's recommended to use either the implementation date or the earliest date a pay period exists.
Year End Forms	Optional	Select the year end form for reporting this deduction or earning.
Province	Optional	Select the Province for which you're defining the wage basis rules, example, Ontario. **Note:** Although the UI doesn't denote this field as required, this information is necessary for creating the provincial tax rules.
Primary Classification	Required	Select the Primary Classification. The Primary Classification for Workers' Compensation is Employer Liabilities.

7. Select *Yes* or *No* in the *Select all secondary classifications* option. Select *Yes* if all secondary classifications under the primary classification should be defined the same way. For the purpose of this example, select *No*.
8. Select a *Secondary Classification*.
9. Select either *Yes* or *No*, to determine if the selected secondary classification is *subject to wage basis rule*.
10. Click *Submit*.

To view the data you just created, search by the province on the Component Group Rules page. In the field directly above Province, enter the abbreviation of the province, for this example it's ON. This filters the data in the UI for Ontario. If a blank field isn't available for entry above Province, select the filter icon (Query by Example).

These rules that you have created are linked to a Legislative Data Group. They can't be overwritten by the rules predefined by Oracle Fusion Human Capital Management for Canada.

Wage Basis Rules for Provincial Medical Liability for Manitoba Indian Exempt Wages

Indian exempt wages in Manitoba are not subject to Provincial Medical liability. You can satisfy this requirement by creating separate Indian Exempt earnings elements with their own wage basis rules.

If you exempt a percentage of the employee's earnings from federal and provincial income tax, for duties performed on a reserve, this same percentage of wages in Manitoba is also exempted from Provincial Medical liability.

> **Note:** This ONLY applies if you process Provincial Medical liability for employees in Manitoba, who are designated as Indian exempt.

View Wage Basis Rules

Use the Component Group Rules task from the Payroll area to view the wage basis rules for the federal and regional components.

You can view the wage basis rules information:

1. From the Payroll area, select the *Component Group Rules* task.
2. On the Component Group Rules page, select a Canadian *Legislative Data Group* and click *Search*.

View the Federal Components

To view the federal components:

1. Select the Component Group *Federal*.
2. For example, to view the wage basis rules for the Standard Earnings, under the Component Group Rules pane, navigate in the tree structure to *Related Deductions > Standard Earnings > Wage Basis Rules*.
3. View the wage basis rules for Supplemental Earnings, Pretax Deductions, and Standard Earnings as they relate to each federal-level tax.

- For Earnings, a check mark indicates the earning is subject to that tax. If no check mark is present, then the earning isn't subject to tax. The absence of an entire row is the same as no check mark.
- For Pretax Deductions, a check mark indicates that the deduction is subject to taxation and it doesn't reduce the subject wages. If no check mark is present, then the deduction isn't subject to taxation and it reduces the subject wages. The absence of an entire row is the same as no check mark.

View the Regional Components

To view the regional components:

1. Select the *Regional* node.
2. For example, to view the wage basis rules for Workers Compensation, under the Component Group Rules pane, navigate in the tree structure to *Related Deductions > Workers Compensation > Wage Basis Rules > Year End Forms; Province*.
3. View the wage basis rules for Provincial Tax, Quebec Pension Plan, Quebec Parental Insurance Plan, Payroll Tax, Provincial Medical, Workers Compensation, and Vacation Liability.

Due to the large volume of data, you may have to filter the data to view details for a particular province. Use the field above the Province column to enter the abbreviation of the province whose details you want to view. You can also sort the province in ascending or descending order to view the details.

Process Provincial Medical Liability

Overview of Provincial Medical Liability Processing

The provincial medical liability processing that Oracle Fusion Human Capital Management for Canada supports include these provinces that have provincial medical coverage funded by the employer:

- British Columbia
- Manitoba
- Newfoundland and Labrador
- Ontario
- Quebec Health Services Fund

Each province has different rules for processing the provincial medical liability.

Employer premiums are calculated as a percentage of the provincial subject wages less any exemptions for the period. The wage basis rules define the subject wages for each province.

The liability is calculated differently for the different provinces as given here:

- Quebec - Only through the payroll process
- Newfoundland and Labrador - Only through the Provincial Medical Report
- British Columbia, Manitoba, Ontario - Through either the payroll process or the Provincial Medical Report

Quebec is the only province where the liability is calculated directly through the payroll process. All other liabilities are calculated through the Provincial Medical report. For employees outside of Quebec, the subject wages are accumulated by account per payroll run. Employer premiums are calculated within the report by multiplying the provincial subject wages for the period by the rate defined for the account.

The account number and name isn't captured for Quebec because the Quebec Identification Number (QIN) is used as the account number.

The provinces and the corresponding agency that administers the provincial medical are predefined in the application. Use the Manage Legal Entity HCM Information task in the Setup and Maintenance work area to define the provincial medical account and the related information at the payroll statutory unit (PSU) level.

The details you define at the PSU level are valid for all the tax reporting units associated with the PSU.

An employee's province of employment determines which provincial medical account is associated to their term or assignment. The default account is used to calculate the provincial medical liability. You can override the Provincial Medical Account Number at the employee's assignment or term, the department or location.

Related Topics

Options for Provincial Medical Liability Processing

Here are a few things you must look at to understand Provincial medical liability processing for Canada.

Rate Retrieval

You can use one of these rates for processing provincial medical liability:

- The rate associated with the default Provincial Medical Account Number for employee's province of employment.
- The rate associated with the Provincial Medical Account Number Override you enter at the Location, or Department levels.
- The rate associated with Provincial Medical Account Number Override on the assignment.

Note:

1. If no rates are defined at the payroll statutory unit (PSU) level, then no provincial medical liability is calculated.
2. When defining overrides, you must specify the PSU and province first, as this presents the account specific to that province.

Calculation of Liability

The employer liability is calculated as a percentage of the provincial medical subject wages for a period, less the exemption amount, if applicable. The liability is calculated in the report, except for Quebec, which is calculated within the payroll run. The period is specified by the Starting Payment Date and Ending Payment Date. The liability is based on the rates and the thresholds defined by you at the PSU level. The thresholds are dependent on the annual provincial medical subject wages year-to-date.

British Columbia Employer Health Tax (EHT)

EHT is a British Columbia Health Tax payable by employers whose annual remuneration exceeds a predetermined exemption threshold. Employers are required to pay EHT on the annual subject wages paid to British Columbia employees. The exemption may be shared across associated groups of employers.

The amount of EHT payable is calculated by multiplying the British Columbia Provincial Medical subject balance by the rates entered on the PSU. The rate varies based on the total annual subject wages for the current year.

The Liability for EHT is calculated as either one of the following:

- In the Provincial Medical Report. This is the default option.
- In the payroll run

To calculate the provincial medical employer liability for British Columbia in the payroll run select the **Calculate liability in payroll run** option for each province while configuring the PSU.

To continue to calculate the liability in the Provincial Medical Report, leave the option deselected. This is the default.

Note: You can only configure this option if there is no exemption for the account. Each account must contain only one rate or you will receive an error if you attempt to select this option. You can configure different rates for different effective dates.

If you select the option to calculate the liability in the payroll run, the following applies:

- Related balances are available in the Statement of Earnings, balance view, element entries, and so on.
- The Provincial Medical Liability results element will include provincial medical account information.
- The element is available for costing.
- The employer liability will appear on global reports.
- The Provincial Medical report doesn't produce any output.
- As the calculation is processed for each employee, there may be rounding differences when compared with the liability calculated using total wages for the province, as processed in the Provincial Medical Report.

Manitoba Health and Post Secondary Education Tax

Health and Post Secondary Education Tax (HAPSET) is a Manitoba tax payable by employers whose annual remuneration exceeds a predetermined exemption threshold. Employers are required to pay HAPSET on the annual subject wages paid to Manitoba employees.

The amount of HAPSET payable is calculated by multiplying the Manitoba Provincial Medical subject balance by the rates entered on the PSU. The liability is calculated in the Provincial Medical Report.

The Liability for HAPSET is calculated as either one of the following:

- In the Provincial Medical Report. This is the default option.
- In the payroll run

To calculate the provincial medical employer liability for Manitoba in the payroll run select the **Calculate liability in payroll run** option for each province while configuring the PSU.

To continue to calculate the liability in the Provincial Medical Report, leave the option deselected. This is the default.

Note: You can only configure this option if there is no exemption for the account. Each account must contain only one rate or you will receive an error if you attempt to select this option. You can configure different rates for different effective dates.

If you select the option to calculate the liability in the payroll run, the following applies:

- Related balances are available in the Statement of Earnings, balance view, element entries, and so on.
- The Provincial Medical Liability results element will include provincial medical account information.
- The element is available for costing.
- The employer liability will appear on global reports.
- The Provincial Medical report doesn't produce any output.
- As the calculation is processed for each employee, there may be rounding differences when compared with the liability calculated using total wages for the province, as processed in the Provincial Medical Report.

Ontario Employer Health Tax

Employer Health Tax (EHT) is an Ontario payroll tax for health insurance premiums that's paid by the employer. Employers are required to pay EHT on the annual subject wages paid to Ontario employees less the annual exemption, if applicable. The amount of EHT payable is calculated by multiplying the Ontario Provincial Medical subject balance by the provincial medical rates entered on the PSU. By default, the liability is calculated in the Provincial Medical Report.

You can optionally generate the Ontario EHT as an employer liability in the payroll run by configuring the option for the payroll statutory unit. Employers who don't qualify for the EHT exemption and therefore have only one rate set up, may choose to calculate the EHT liability in the payroll run.

Use the Manage Legal Entity HCM Information task in the Setup and Maintenance work area to define the provincial medical account and the related information at the PSU level. To calculate the liability in the payroll run, select the **Calculate liability in payroll run** check box for the PSU for Ontario.

- You can only configure this option if there is no exemption for the account. Each account must contain only one rate or you will receive an error if you attempt to select this option.
- You can configure different rates for different effective dates.

By default the check box is left deselected and the liability is calculated in the Provincial Medical Report.

Selecting the option to calculate liability in the payroll run, triggers these actions:

- Related balances are available in the SOE, balance view, element entries, and so on.
- The Provincial Medical Liability results element will now include Ontario EHT account information.
- The element is available for costing.
- The employer liability is displayed in the relevant reports.
- The account is excluded from the Provincial Medical Report.
- Since the calculation is now processed for each employee, there may be rounding differences when compared with the liability calculated using total wages for the province, as processed in the Provincial Medical Report.

Quebec Health Services Fund Rate

The Quebec Health Services Fund Rate is assigned by Revenu Quèbec. Employers are required to pay the Quebec Health Services Fund amount on the annual subject wages paid to their employees.

The amount of Quebec Health Services Fund payable is calculated by multiplying the Quebec Provincial Medical subject balance by the rates entered on the PSU. The liability for the Quebec Health Services fund is calculated during the payroll run. It's calculated as a straight percentage of earnings without any exemptions or thresholds.

Newfoundland and Labrador HAPSET Rate

Employers are required to pay Newfoundland and Labrador HAPSET on the annual subject wages paid to employees in that province. The exemption is shared across associated groups of employers.

The amount of HAPSET payable is calculated by multiplying the Newfoundland and Labrador Provincial Medical subject balance by the rates entered on the PSU. The liability is calculated in the Provincial Medical Report.

Wage Basis Rules

These balances are created and tracked for provincial medical:

- Provincial Medical Gross that represents the gross earnings paid to employees in the province.

- Provincial Medical Subject that represents:
    - The earnings taken into consideration when determining the amount used to calculate the provincial medical liability.
    - Provincial Medical Gross minus the Provincial Medical Exempt balances.
- Provincial Medical Exempt represents wages that are exempt from the wage basis rules, or wages that have been exempted from provincial medical at the assignment.

Note: The exemption for the province isn't included in this balance as it's considered part of the Provincial Medical Subject balance.

Related Topics

Provincial Medical Liability Processing Overrides

You can override the default provincial medical account number at three levels:

- Assignment or term
- Location
- Department

Assignment-level Overrides

The employee's province of employment is used to determine the Provincial Medical Account Number for the assignment, unless any overrides exist.

For a new person, enter the provincial medical overrides on the Employment Information page, while defining the employment and person information for the employee. For existing employees, use the Payroll Relationships task to override default Provincial Medical Account Number.

Location-level Overrides

Use the Manage Locations task in the Setup and Maintenance work area to enter the Provincial Medical Account Number Override value. Enter the value in the Canada Legislative Information section of the Create Location page. The override account you enter here, is used to process the provincial medical premiums for the entire location.

Department-level Overrides

Use the Manage Departments task in the Setup and Maintenance work area to override the Provincial Medical Account Number value. Enter the value in the Department Legislative Information section of the Create Department: Department Details page. The override account you enter here, is used to process the provincial medical premiums for the entire department.

Related Topics

Examples of Exempting an Employee from Provincial Medical Premiums

Provincial Medical Exempt represents wages that are exempt from the wage basis rules, or wages that have been exempted from provincial medical at the assignment. This topic illustrates two scenarios when you can exempt an employee from provincial medical premiums.

Scenario

While defining the employee's Person and Employment information during the new hire process. Use the Hire an Employee task under New Person in the Workforce Management work area. Select the Provincial Medical Exempt check box in the Assignment section of the Hire an Employee: Employment Information page of the employee, to indicate if the assignment of the employee should be exempt from the provincial medical employer liability calculations.

Scenario

Certain employees may be exempt from provincial medical premiums. Provincial medical calculations aren't processed for the exempted employees. Use the Payroll Relationships task in the Payroll Calculation work area to exempt the employee after the hire process. Select the Provincial Medical Exempt check box at the assignment level while updating the assignment record on the Manage Person Details page.

If an employer is exempt from provincial medical liability, you need not set up the provincial medical account information for the PSU. Provincial Medical balance accumulation and calculation of liability occurs only when the account setup is completed and the default account is set up.

Related Topics

Provincial Medical Report

The Provincial Medical Report details the provincial medical premiums employers in these provinces must remit to the Provincial Medical Carrier.

- British Columbia
- Manitoba
- Ontario
- Newfoundland and Labrador

Employer premiums are calculated within the report by multiplying the provincial subject wages for the period by the rate defined for the account, less any exemptions if applicable. This report helps Canadian employers file their provincial medical premium remittances. The time frame to remit payments depends on the province and the size of the employer.

Payroll Managers and Payroll Administrators can use the Run Provincial Medical Report task from the Regulatory and Tax Reporting work area to generate the report.

The Quebec provincial medical liability (Quebec Health Services Fund) calculated during the payroll process is reported on the Statutory Deduction Register. Since the liability is calculated during the payroll run, Quebec isn't included in this report.

Before You Run the Report

Complete these tasks before you run this report:

1. Set up the requisite provincial medical data at the payroll statutory unit (PSU) level.
2. Run the Payroll Calculation and Payroll Archive processes.

Report Parameters

Payroll Flow

It is the name of the payroll flow and is required.

Payroll Statutory Unit

This is an optional field and if left blank, the report is generated for all the PSUs.

Province

This is an optional field and if left blank, the report is generated for all three provinces of British Columbia, Ontario, Manitoba and Newfoundland and Labrador.

Account

This is an optional field and if left blank, the report is generated for all the valid accounts associated with the province setup at the PSU level.

Payroll Relationship Group

Select the payroll relationship group name, if you have defined one. Payroll relationship groups limit the persons processed for payroll, data entry, and reporting. For example, you can create a group to process the report for terminated employees.

> **Note:** Use the **Objects Group** task under **Payroll** in **My Client Groups** on the Home page to define the payroll relationship group before you can select it here.

Starting Payment Date

This is a required field.

Ending Payment Date

This is a required field.

Report Type

Select an option to decide on the level of detail you want to include in the report. The options are Detail or Summary mode. The default is Summary mode.

Report Results

The report includes gross wages, taxable wages, exemptions used, rates, calculated levies, gross wages (YTD), and levy (YTD).

The report is generated for each PSU and each account within the province, sorted by account number with a page break between accounts. The account number is displayed in the header.

If the province is left blank, the report is generated for all the provinces, with a page-break after each account.

If an account number is specified, the report is generated for the specific account.

If a specific PSU is entered, the report is generated for all the accounts under the specific PSU.

Provincial Medical Report in Summary Mode

In the Summary mode, the report headings display Subject Wages instead of Gross Wages, for both the specified period as well as the year-to-date balances. The reported balances remain unchanged.

Provincial Medical Report in Detail Mode

In the Detail mode, the report generates a spreadsheet reporting employee-level provincial medical wages, for both the specified period as well as the year-to-date balances. This helps you to reconcile the balance reported in the summary level report and provides the ability to analyze the data in greater detail.

FAQ for Process Provincial Medical Liability

How can I exempt an employee from Provincial Medical Liability processing?

You can exempt an employee from Provincial Medical Liability calculations while defining the person and employment information of the employee during the new hire process.

Use the Hire an Employee task under New Person in the Workforce Management work area. Select the Provincial Medical Exempt check box in the Assignment section of the Hire an Employee: Employment Information page of the employee.

Process Workers' Compensation

Overview of Workers' Compensation

Workers' Compensation programs protect employees from financial hardships associated with work-related injuries and occupational diseases.

Workers' Compensation Boards administer workers' compensation in each province. Each board publishes a list of classification units for various types of work being performed. The board also assigns a rate for each classification unit.

The provinces and the corresponding workers' compensation board are predefined in the application. Use the Manage Legal Entity HCM Information task in the Setup and Maintenance work area to define the workers' compensation

classification unit and account information at the payroll statutory unit (PSU) level. Here are a few things to consider while defining the workers' compensation information:

- Since an employer can have multiple accounts within a province, you must designate one account as the default for the province.
- Since multiple classification units can apply to each account and each classification unit has an associated rate, you must designate one classification unit as the default for an account. There's a 1:1 relationship between the classification units and its associated rate.

The details you define at the PSU level are valid for all the tax reporting units associated with the PSU.

The province of employment determines which workers' compensation board is associated to the term or assignment of the employee. The rate associated with the default account is used to calculate the workers' compensation liability, unless you override the details. You can define overrides for workers' compensation processing for a person at the assignment or term level, job, location, or department. Certain assignments of employees may be exempt from workers' compensation premiums. Set this exemption at the assignment level.

The employer liability is calculated as a rate multiplied by the assessable wages, up to a maximum assessable wage defined for the province.

Related Topics

Options for Workers' Compensation Liability Processing

Consider these factors while processing Workers' Compensation liability:

- Rate Retrieval
- Calculation of Liability
- Provincial Factors
- Wage Basis Rules
- Annual Maximum Assessable Wages for a Province

Rate Retrieval

Here's the list of rates that are used to calculate Workers' Compensation liability:

- Rate associated with the default Workers' Compensation Account of the payroll statutory unit (PSU).
- Rate associated with the Workers' Compensation Classification Unit Override and the Workers' Compensation Province Override you enter at the Location, Job, or Department levels.
- Rate associated with the default rate of the default Workers' Compensation Account for the Workers' Compensation Province Override on the assignment.
- Rate associated with the default rate of the Workers' Compensation Account Override on the assignment.
- Rate associated with the Workers' Compensation Classification Unit Override entered on the assignment.

If any of these overrides are defined, that information is used to capture the appropriate rate set up at the PSU level.

Note: If no rates are defined at the PSU level, then no Workers' Compensation liability is calculated.

Calculation of Liability

The employer liability is calculated as a rate multiplied by the assessable wages up to the maximum assessable wage defined for the province. The rate is defined as an assessed amount per 100 Canadian dollars.

Provincial Factors

The province of employment determines which Workers' Compensation Board is associated to the term or assignment of the employee. The rate associated with the default account is used to calculate the Workers' Compensation liability, unless you override the details.

If an employee moves to another province, the assessable wages and liability aren't carried forward to the new province.

Wage Basis Rules

These balances are created and tracked for Workers' Compensation:

- Workers' Compensation Gross represents the gross earnings.
- Workers' Compensation Subject represents the earnings used to calculate the Workers' Compensation liability amount. This also includes amounts above the maximum set for each province. It is the result of Workers' Compensation Gross - Workers' Compensation Exempt - Workers' Compensation Exempt Employee.
- Workers' Compensation Taxable (also known as Assessable) represents the earnings used to calculate the Workers' Compensation liability amount. This is the amount below (or equal to) the maximum set for each province.
- Workers' Compensation Exempt Employee represents the earnings that are exempt as a result of defining the employee as exempt from Workers' Compensation in the assignment or the tax card.
- Workers' Compensation Exempt represents earnings that doesn't have wage basis rules setup.
- Workers' Compensation Excess is the earnings over the maximum assessable amount that isn't used in Workers' Compensation liability calculations.
- Workers' Compensation Liability represents the calculated Workers' Compensation amount due by the employer

Annual Maximum Assessable Wages for a Province

Annual maximum assessable wages are delivered for each province. They are held in the Calculation Information Repository of each province and Oracle updates them on an annual basis.

Use the Calculate Value Definitions task in the Payroll area to view the annual maximum assessable wages values for each province and update them.

Related Topics

Workers' Compensation Overrides

You can define overrides for Workers' Compensation processing for a person at the assignment or term level, job, location, or department.

Assignment - Level Overrides

Use the Hire an Employee task under New Person in the Workforce Management work area to enter these overrides for a person at the Assignment section of the Employment Information page:

- *Workers' Compensation Province*: You can override the province of employment. The default account for that province is used unless overrides exist.
- *Workers' Compensation Account*: You can select any valid account defined for the Payroll Statutory Unit (PSU) as the override. This uses the default classification unit and rate for this account unless lower-level overrides exist.
- *Workers' Compensation Classification Unit*: You can use any valid classification unit defined for the Workers' Compensation Account as the override. This override is used to determine the rate for calculating Workers' Compensation liability.

Job - Level Overrides

Use the Manage Jobs task in the Setup and Maintenance work area and under Define Workforce Structures to enter these override values in the Canada Job Information section of the Create Job: Job Details page:

- Workers' Compensation Classification Unit Override
- Workers' Compensation Province

Location - Level Overrides

Use the Manage Locations task in the Setup and Maintenance work area and under Define Workforce Structures to enter this override value in the Canada Legislative Information section of the Create Location page:

- Workers' Compensation Classification Unit Override

Department - Level Overrides

Use the Manage Departments task in the Setup and Maintenance work area and under Define Workforce Structures to enter these override values in the Department Legislative Information section of the Create Department: Department Details page:

- Workers' Compensation Classification Unit Override
- Workers' Compensation Province

When defining overrides at the job or department-level, you must specify the province first, as this presents classification units specific to that province.

Related Topics

FAQ for Process Workers' Compensation

How can I exempt an employee from Workers' Compensation calculations?

Use the Hire an Employee task under New Person in the Workforce Management work area. Select the Workers' Compensation Exempt check box in the Assignment section of the Hire an Employee: Employment Information page of the employee.

You exempt an employee from Workers' Compensation calculations while defining the person and employment information of the employee during the new hire process.

Related Topics

Process Vacation Liability

Overview of Vacation Liability Processing

Vacation liability is the minimum amount of vacation pay an employee is legislated to receive in a given year according to the provincial statutory requirements.

You may compare actual vacation paid in a given year to this minimum and pay the difference at the end of the vacation year.

Calculate the vacation pay as a percentage of the vacationable earnings. You can define percentages by length of service for each province within a vacation absence plan.

Policies for vacation are often enhanced from the minimum legislated rates by the employer or by union contracts. One of the more common enhancements is an accelerated accrual of vacation time and pay. Progression is usually based on the length of service of the employee.

Vacation is accrued based on a reference year. This may be a calendar, fiscal year, or other 12 month period. Employers may require the employee to earn the time in one reference year and take it in the following reference year or alternatively, earn and take vacation in the same year.

The components of vacation liability processing are:

- Vacation Plan
- Vacation Term
- Vacation Payout
- Employee Absences

High-Level Steps

The setup steps for the processing of vacation liability are in the Absences and the Payroll areas. Absence Management and Payroll Calculations are integrated. This table outlines the high-level list of all the absence and payroll steps to configure and process Vacation liability.

Procedure	Setup Task	Action
Create Absence Elements	Elements	Create an absence element with a secondary classification of Vacation to transfer absence payment information from Absence Management to Payroll for payroll processing.
Create Absence Plans	Absence Plans	Create an absence plan, and enroll the employee in the absence plan. To calculate the vacation liability, under Payroll Integration, select these options: • Select the **Transfer absence payment information for payroll processing** check box. • Select the element for the plan in the **Element** field to link it to the absence plan.
Create Absence Types	Absence Types	Create absence types, and associate them to the absence plans. Select **Canada Vacation** in the Legislative Grouping Code. Add the absence plans to the absence type.
Configure Vacation Liability Rates	Rate Definitions	Create vacation liability rates based on absence plan, province (optional), and length of service.
Configure Wage Basis Rules	Component Group Rules	Create vacation wage basis rules for user-defined secondary classifications. **Note:** The wage basis rules for the predefined secondary classifications are delivered by Oracle.
Creating Earnings Element	Elements	Create a vacation payout element.

Defining Employee Information

To configure and process vacation liability in Canada, define the following employee information.

Procedure	Task	Action
Enroll Employees in Absence Plans	Absence Records task in Person Management area	Enroll employees in the absence plan, if explicitly required.
Assign a Vacation Liability Plan	Calculation Cards	Select a vacation liability plan on the employee's tax card.
Enter a Vacation Service Date, if applicable	Calculation Cards	Enter a Vacation Service Date on the employee's calculation card to override the hire or rehire date for vacation liability calculations, if applicable.
Assigning a Vacation Payout Element	Element Entries task in Person Management area	Assign a vacation payout element to the employee to pay the liability balance.
Create Employee Absence Records	Absence Plans	Record an absence for the employee. Approve the absence and select the option to transfer absence information to payroll, so that the absence information is transferred to payroll for absence processing.

Vacation Plan

Absence plans determine how entitlements are provided to an employee including eligibility and rates. Use the Absence Management application to configure an Absence Plan for processing vacation liability. Set up the plan based on a calendar year or anniversary date.

Vacation Term

A vacation term refers to the time period, or vacation period, for which the liability is calculated. It is represented as a year (YYYY) and it may represent a calendar term (January – December) or an anniversary date (for example, June – May). One vacation plan can contain multiple vacation terms. For example:

- Vacation Plan = Oracle Vacation Plan
  - Vacation Term = 2018
  - Vacation Term = 2019
  - Vacation Term = 2020

If the term is not based on a calendar year, the year represents the start of the time period. For example, if the term is June 2018 – May 2019, the term for this period is 2018.

Vacation Payout

Vacation payout earnings reduce the vacation liability. Create a vacation payout element and assign it to the employee.

> **Note:** The vacation payout reduces vacation liability balances, and not the accrued vacation balances in the Absences application.

Partial payouts and payout amounts in excess of an employee's current vacation liability balance are supported.

Employee Absences

Employee vacation absences reduce the vacation liability balances.

Considerations for Processing Vacation Liability

Consider these factors to ensure proper processing of vacation liability payments.

Enroll Employees in Absence Plans

Use the Absence Records task in the Person Management work area to enroll employees in a vacation absence plan.

Create Employee Absence Records

Employee vacation absences reduce the vacation liability balances. When you record a vacation absence for an employee, by default, the current vacation period's accrued vacation liability amount is reduced by the paid absence.

To reduce the vacation liability in a prior term, use the Vacation Accrual Reduction Date on the absence UI. This reduction date is only used in special scenarios and specifies the vacation period (or term) to reduce the accrued vacation liability balance by the vacation payment.

If both earnings and vacation absences are processed in the same run, the earnings add to the liability first, before the vacation absence reduces it. Depending on how the wage basis rules are defined, a vacation absence element can also contribute to the liability.

Assign Vacation Liability Plans to Employees

In order for vacation liability to calculate, the employee must be enrolled in a vacation plan and be assigned a Vacation Liability plan.

Select the vacation liability plan for the employee in the **Associations** section of the Tax Credit Information Calculation Card. The Vacation Liability Plan lists all vacation plans associated with the employee. Select one plan for each tax reporting unit.

> **Note:** In order for the vacation plan to display in the list of values, you must attach the vacation absence element to the vacation absence plan. If there is no vacation liability plan on the employee's calculation card, the liability isn't calculated for the employee.

View Wage Basis Rules for `vacationable` Earnings

The wage basis rules determine if an element is included in vacation liability calculations. A check mark in the **Use in Wage Basis** column for the component **Vacation** indicates the earning is included. The rules create a vacation earnings balance.

Wage basis rules are predefined for all delivered secondary classifications but you must create them for user-defined secondary classifications.

Use the Component Group Rules task in the Payroll area to view the vacation earnings rules for each province.

Use these steps to create wage basis rules for `vacationable` earnings:

1. Navigate to the Payroll area and select the **Component Group Rules** task.
2. Select a **Legislative Data Group** and click **Search**.

3. Select the **Regional** node and navigate in the tree structure to **Regional > Wage Basis Rules > Vacation**.
4. View the `vacationable` earnings rules for each province.

Configure Earnings Elements

Create a vacation payout element and assign it to the employee. While creating a supplemental earnings element with any secondary classification, answer **Yes** to this question to payout a vacation liability balance to an employee. Use the Supplemental Earnings Elements template, and view this question under the Additional Details section.

- Is this a vacation payout element?

If you select **Yes**, the processing priority of the element is set to 4000 to ensure that the payout occurs after all other vacation liability contributing element entries are processed.

Note: Use this option only to pay out vacation liability plan balances, not normal supplemental vacation pay earnings in which no vacation liability is processed. The liability balance is normally paid out when the employee terminates, goes on a leave of absence, or when reconciling at the end of the vacation year. The supplemental earnings payout base element input values include:

- Vacation Payout defined by the Vacation Payout rule value selected during element creation.
- Vacation Accrual Reduction Date you enter, that determines the vacation term balance that's reduced.

Override Length of Service

The employee's hire date determines how the length of service of the employee is calculated. If the employee's hire or rehire date isn't the date that should be used to calculate the length of service for vacation pay purposes, use the Vacation Service Date on the employee's calculation card to specify a different date. If the Vacation Service Date is entered, it's used to calculate the employee's length of service.

Override Vacation Liability Province

The Province of Employment on the employee's calculation card captures the province used for vacation liability calculations. If an employee has a US or ZZ province code and their earnings should be included in Vacation Liability calculations, you can override the province. To override the province for the employee, populate the Vacation Liability Province Override using the Payroll Relationships task under Payroll.

Pay Vacation Liability in Every Payroll

Employees not entitled to vacation time off, for example, part time or casual employees may have the vacation liability paid to them every pay period. You can enable this by introducing a recurring payout element that's processed every pay period. The payout element pays the vacation liability amount accrued in same pay period in which the element is processed.

Assign a Payout Element

Vacation payout earnings reduce the vacation liability. When the vacation liability balance is to be paid to an employee, assign the payout element to them.

Use the Element Entries task in the Person Management work area to assign the element to the employee.

If the payout is for the current vacation term, the Vacation Accrual Reduction Date isn't required. This is the default behavior. If no date is provided, all accumulated liabilities in prior terms are paid out.

If you have to payout the vacation liability for a specific previous term, use the Vacation Accrual Reduction Date on the Entry Values of the Element Entries page. This reduction date is only used in special scenarios and specifies the vacation period (or term) to payout the vacation liability balance.

To process the payout for multiple assignments, assign the payout element to each assignment.

Vacation Liability Reporting

Report the relevant balances generated in the payroll run for vacation liability.

The relevant balances generated in the payroll run for vacation liability are:

- `Vacationable` Earnings are earnings that are subject to the vacation liability calculations and are determined by the wage basis rules for earnings and absence elements.
- Vacation Liability is calculated by applying the rate to the `vacationable` earnings (Vacation Liability = `Vacationable` Earnings * Percentage). This balance is reduced by vacation absence earnings and payments made by the vacation payout. This balance may be costed and is calculated in retroactive processing. Balance adjustments may also be made to this balance.
- Unprocessed `Vacationable` Earnings are total earnings subject to the vacation liability calculation according to the wage basis rules but are not included in the calculation. This can occur when there is no active vacation plan on the employee's tax card.
- Vacation Payout are earnings amount paid to the employee from the accrued vacation liability. The values paid in the payout element don't contribute to vacation liability and instead, reduces the liability balance. You can set up tax processing for the payout element similar to other earnings elements.

Vacation Liability and `Vacationable` Earnings run results are populated with a reference code to designate the vacation plan and term as shown here:

- VA_<Absence Plan Name>_YYYY_<AbsencePlanId>
  YYYY refers to the vacation term year for which the vacation liability is processed. The plan term reference year is based on the process or pay date. Employers may accrue liability in one year and allow employees to take vacation in the following year. Alternatively, they may accrue and allow vacation to be taken in the current year.

Unprocessed `vacationable` earnings are populated with a reference code of VA_UNDEFINED.

> **Note:** If there is a mismatch between the Absence Plan enrollment and the Vacation Liability plan on the tax card, and payrolls are processed after a termination, the run results for Vacation Liability and Vacation Payout are populated with a reference code of VA_UNDEFINED.

Include Vacation Liability Balances in Reports

The balance is generated in the payroll run and the vacation liability balance is added to the payroll archive to support reporting of the balances in the **Employer Liabilities** section of these reports:

- Element Results Register
- Gross-to-Net Report
- Payroll Activity Report
- Payroll Balance Report

- Payroll Register

Statement of Earnings

The Statement of Earnings (SOE) reports the vacation liability balances in the employer contributions area.

Employee Active Payroll Balance Report

You can reconcile the vacation liability balances using the Employee Active Payroll Balance Report, which provides employee balance information for `vacationable` earnings and vacation liability.

Vacation Liability Balance Report

Use the **Vacation Liability Balance Report**to view the balances associated with vacation liability. You can run this report to display all the vacation liability balances, rather than gather them using multiple reports. This allows employees to help reconcile vacation liability balances, as well as gather data using this one report for required vacation liability reporting.The balances reported are:

- `Vacationable` Earnings
- Accrued Vacation Liability
- Vacation Absences
- Vacation Payouts
- Vacation Liability
- Vacation Liability (ITD)

Use the following parameters to run the report:

- Payroll Statutory Unit
- Tax Reporting Unit
- Vacation Plan
- Payroll Relationship Group
- Start Date (mandatory)
- End Date (mandatory)
- Report Type (mandatory)
- Summary (default)
- Detail

In summary mode, the report displays vacation liability balances for the period determined by report start and end dates, for each vacation plan for all employees.

In detail mode, the report displays vacation liability balances for the period determined by report start and end dates, for all employees enrolled in a vacation plan. Balances are reported by vacation plan. Additionally, use the Vacation Plan parameter to filter those employees assigned to a specific vacation absence plan.

Note: Important points for the Vacation Liability Balance Report:

- The vacation liability is calculated, and related balances are generated in the payroll run, not in this report.
- This report is based on the data from the payroll archive.
- Use the Vacation Plan parameter to filter employee data based on the vacation absence plan defined on the employee's calculation card.
- When you select Detail mode, the report displays both summary and detail information.
- The Vacation Absences balance value includes recorded absences for Entitlement, Discretionary and Final Disbursements.
- The Vacation Liability (ITD) value reports the accumulated vacation liability balance from each payroll run from inception, for the vacation plan.
-

Vacation Liability Percentage Rates

The payroll application calculates vacation pay as a percentage of vacationable earnings for employees and pays the employee the accrued amount.

You can define percentage rates by:

- The length of service for each province (if applicable) within a vacation absence plan.
- Default rates for the vacation plan or province.

Use the Vacation Liability Rate Definitions task in the Payroll area to define the rates.

The rates defined on the Vacation Liability Rate Definitions UI are retrieved to calculate the vacation liability. The liability is calculated by applying the rate to the vacationable earnings in the payroll run.

- Vacation Liability = Vacationable Earnings * Percentage

Derive the Rates

Vacation liability rates are derived basis this hierarchy:

1. Vacation Plan
2. Province of Employment
3. Length of Service

Here's how vacation liability rates are derived:

1. Check if the rates are set up for the vacation liability plan selected on the tax card.
2. Use the default rate for the vacation plan, if there are no rates set up for the plan.

   If there are no rates for the default plan, the application doesn't calculate the liability.

After you select the vacation plan:

1. Check if rates are set up for the province of employment for the vacation plan.
2. Use the default rate for the province, if no rates are set up for the province of employment.

After you select the province of employment:

1. Compare the length of service ranges with the employee's length of service.
2. Use the employee's length of service rate if it exists to calculate the vacation liability.

Partial and Advance Payments for Vacation Liability

The liability balance is normally paid out when the employee terminates, goes on a leave of absence, or when reconciling at the end of the vacation year.

You can make partial or advance payments as explained here.

Partial Payments

Use the **Amount** input value on the Element Entries page to make a partial payment less than the accumulated vacation liability of the employee, as given here:

- If the amount entered is positive, it’s paid out.
- If the amount entered is negative, the amount is ignored.
- Amounts are paid out regardless of the accrued vacation liability. If the amount is in excess of the accrued vacation liability balance, the employee’s resulting vacation liability balance becomes negative.

Advance Payments

You can also pay employees vacation liability in advance of them earning it. You pay employees an amount that is in excess of their current vacation liability balance.

Use the **Amount** field to process an amount greater than the current liability balance, as given here:

- The vacation payout amount isn’t capped at the actual accrued vacation liability amount.
- When the payout amount is in excess of the current vacation liability balance, the employee’s resulting vacation liability balance becomes negative.
- If the vacation liability balance is already negative, a payout can still be processed. This simply increases the negative liability.
- If you process vacation payout amounts that create a negative liability balance, it’s up to you to recover the advance payout amounts if required.

Vacation Liability for Single and Multiple Terms

Vacation liability is the minimum amount of vacation pay an employee is legislated to receive in a given year.

Vacation Payout

When an employee is terminated, or goes on a leave of absence and there are positive balances across multiple vacation plan years, you can pay out the vacation liability amount owed to the employee across multiple vacation plan years or terms with a single payment. The vacation payout can be for a specific term, or across multiple terms.

Payout Without Vacation Accrual Reduction Date (Multiple Terms)

- Create a vacation payout element and assign it to the employee.
- When there's no Vacation Accrual Reduction Date provided, the payout includes the positive accrued liability for all vacation terms.
- If an amount is entered on the payout element entry, the amount reduces the liability starting from the earliest term available accrued liability, until the amount is processed. If the amount is more than the accrued liability for all terms put together, the difference results in a negative liability for the current term, and the full amount is processed as a payout.
- A negative amount entered on the payout element is ignored.

Payout With Vacation Accrual Reduction Date (Specific Term)

- Create a vacation payout element and assign it to the employee.
- If you enter a value in the Vacation Accrual Reduction Date field, the payout includes the accrued vacation liability balance for the specific vacation term in which the reduction date falls.
- To pay out a partial accrued balance payment for a specific term, enter a value in the Vacation Accrual Reduction date field and the Amount field.
- If an amount is entered with an invalid Vacation Accrual Reduction Date, the system behaves as if an amount was entered with no Vacation Accrual Reduction Date.
- A negative amount entered on the payout element is ignored.

Vacation Absences

Vacation absences reduce the vacation liability. Vacation absences can reduce the vacation liability accumulated across multiple vacation terms, starting from the earliest term with a positive balance to the current term. Alternatively, they can be configured to reduce the liability for a specific term.

Absence Without Vacation Accrual Reduction Date (Multiple Terms)

- If you don't enter a Vacation Accrual Reduction Date for the absence, the accrued liability is reduced from the earliest vacation term with a positive balance, to the most current term.
- If the accrued liability is negative for a prior term, it’s ignored and isn’t reduced.
- If any accrued liability remains after going through prior terms, the absence reduces the current term’s accrued liability, even if this results in a negative liability for the current term.
- If the accrued liability is negative, or less than the absence balance for the current term, it is still reduced.

Absence With Vacation Accrual Reduction Date (Specific Term)

- If you enter a Vacation Accrual Reduction Date for the absence, the accrued liability is reduced for the vacation term in which the reduction date falls.
- If the Vacation Accrual Reduction Date is invalid (outside of the current plan dates), the liability is processed starting from the earliest vacation term and continues through the current term, or until the absence amount is consumed. Essentially, the system behaves as if there was no reduction date entered.
- If the accrued liability for the term is negative or less than the absence balance, and if the Vacation Accrual Reduction Date is valid, the liability for the term is still reduced.

Vacation Liability Payments for Multiple Plans

When an employee is transferred from one plan to another, the employee can have vacation liability balances across multiple plans.

If required, you can pay out all vacation liability accumulated over multiple vacation plans. Additionally, employee absences reduce vacation liability balances accumulated over multiple plans starting from the earliest vacation plan to the most current plan.

To process a vacation payout of the liability to an employee for multiple plans, note these important points:

- If you leave the Vacation Accrual Reduction Date field in the Element Entries section of the element blank, the vacation liability balance is reduced from all plans starting from the first vacation plan.
- If you enter a value in the Vacation Accrual Reduction Date field, the accrued vacation liability balance is reduced from the current vacation plan term in which the reduction date falls.
- If the Vacation Accrual Reduction Date is outside of the current plan dates, for example, the reduction date is not within the active plan, the vacation liability balance is reduced beginning with the first vacation plan.

Recording Absences for Multiple Plans

Employee vacation absences reduce the vacation liability balances. Note these important points for reducing accrued vacation liability balances for multiple plans:

- If you enter a Vacation Accrual Reduction Date in the absence, then the accrued vacation liability balance is reduced from the current vacation plan term in which the reduction date falls.
- If you don't enter a Vacation Accrual Reduction Date in the absence, then the accrued vacation liability balance is reduced starting from the first vacation plan.
- If the Vacation Accrual Reduction Date is outside of the current plan dates, for example, the reduction date is not within the active plan, the vacation liability is reduced starting with the first vacation plan.

Vacation Liability Plans and TRU Transfers

When an employee transfers from one tax reporting unit (TRU) to another TRU, and possibly a new vacation plan, the employee can have vacation liability balances across multiple TRUs and vacation plans.

To process a vacation payout of the liability for an employee who is transferred from one vacation plan and TRU to another, note these important points:

- If you leave the Vacation Accrual Reduction Date field in the Element Entries section of the element blank, the accrued vacation liability balances are reduced from all plans.
- If you enter a value in the Vacation Accrual Reduction Date field, the accrued vacation liability balance is reduced from the current vacation plan term in which the reduction date falls.
- If the Vacation Accrual Reduction Date is outside of the current plan dates, for example, the reduction date is not within the active plan, the vacation liability balance is reduced starting with the first vacation plan.

Multiple Assignments

To process a vacation payout of the liability for an employee with multiple assignments, each reporting to a different vacation liability plan and TRU, note these important points:

- If you leave the Vacation Accrual Reduction Date field blank, the vacation liability balance for all assignments and plans are reduced. The payout amount is processed and paid out in one assignment.
- If you enter a value in the Vacation Accrual Reduction Date field, the vacation liability balance for all assignments and plans are reduced based on the date in which the reduction date falls. The payout amount is processed and paid out in each assignment accordingly.

Note: To process the payout for multiple assignments, you must assign the payout element to each assignment using the Element Entries task.

Recording Absences for TRU Transfers

Employee vacation absences reduce the vacation liability balances. Consider Note these points for reducing accrued vacation liability balances for employees who transfer from one vacation plan and TRU to another:

- If you leave the Vacation Accrual Reduction Date field in the Element Entries section of the element blank, the accrued vacation liability balance is reduced starting from the earliest vacation plan to the most current plan.
- If you enter a value in the Vacation Accrual Reduction Date field, the accrued vacation liability balance is reduced from the current vacation plan term in which the reduction date falls.
- If the Vacation Accrual Reduction Date is outside of the current plan dates, for example, the reduction date isn't within the active plan, the vacation liability balance is reduced starting with the first vacation plan.

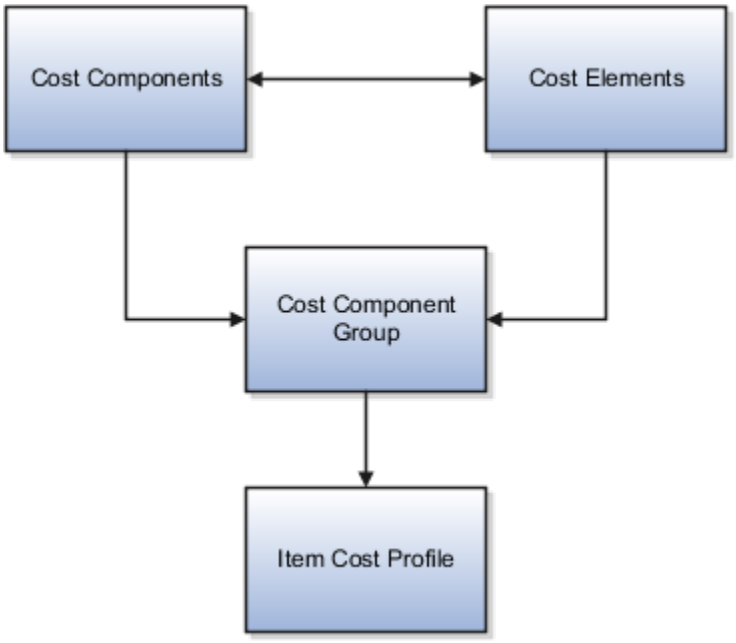
Component Group Rules

How Cost Components, Cost Elements, and Cost Component Groups Work Together

Cost components are user-defined or come from external sources, and are mapped to cost elements which the costing application uses to track the cost of items.

Use cost component groups to map cost components to cost elements, and to map source cost elements to destination cost elements when items are transferred from one inventory organization to another.

This figure illustrates the relationship between cost components, cost elements, cost component groups, and cost profiles.



Cost Components

Cost components are the most granular representation of item costs. Examples of cost components are purchase order item price, material, freight, tax, and overhead. Cost Components come from different sources:

- Predefined costs from external sources such as Purchasing, Accounts Payable, and Inventory Management
- Landed cost charges from Oracle Fusion Landed Cost Management.

Cost Elements

A cost element is the level where the costs of an item are tracked through the inventory accounting life cycle. Cost components are mapped to cost elements, which enables you to calculate item costs at different granularity levels for different business needs. For example, you may want more granularity for high-value than for low-value items.

You can define cost elements for four types of costs:

- Material cost element type for incoming material cost components.
- Overhead cost element type for costs that are calculated by the cost processor based on user-defined overhead rules.
- Profit in Inventory cost element type for tracking of internal margins when items are transferred from one inventory organization to another, including global procurement and drop shipment flows. For cost elements of this type, indicate the Profit in Inventory organization that incurs the gain or loss due to the transfer of goods.
- Adjustment cost element type for separate tracking of cost adjustments, which provides a more detailed view of item costs and profit margins.

Cost elements are defined at the set level and thereby have the advantages of set-level definitions for sharing and segregation. A Profit in Inventory cost element must be assigned to the Common cost element set so that it can be shared across cost organizations.

The following table gives examples of cost element definitions:

Cost Element Set	Cost Element	Cost Element Type	Inventory Organization
Country 1	Metals Material	Material	Not Applicable
Country 1	Plastic Material	Material	Not Applicable
Country 1	Miscellaneous Material	Material	Not Applicable
Country 1	Miscellaneous Material	Adjustment	Not Applicable
Country 1	Plant Depreciation	Overhead	Not Applicable
Country 1	Equipment Depreciation	Overhead	Not Applicable
Country 1	Freight Charges	Overhead	Not Applicable
Common	Internal Margin	Profit in Inventory	Seattle
Country 2	Dairy Material	Material	Not Applicable
Country 2	Miscellaneous Material	Material	Not Applicable
Country 2	Dairy Material	Adjustment	Not Applicable

Cost Component Groups

Use cost component groups to define mappings of cost components from external sources to cost elements in the costing application. These mappings provide flexibility in the granularity level where you track costs. You can map one cost component to one cost element for a detailed cost breakdown, or several cost components to one cost element for a less granular view of costs. For cost components and cost elements that are related to landed cost charges, you can choose to capitalize them into inventory value, or expense them. All other costs are automatically capitalized.

You can also map source cost elements to destination cost elements when transferring items from one inventory organization to another. This helps to maintain visibility of the item cost structure from the source application and across the supply chain.

You can specify a default cost component mapping to cost element to be used in cases where the source cost element doesn't have a matching destination cost element. The default cost component mapping is helpful when:

- The detailed mapping of a cost component to cost element isn't required, and you want to map it to a single cost element.

- The designated mapping for a cost component is missing. If the mapping is missing, the transaction automatically picks up the default cost component mapping.

Note: If the cost component mapping is missing, the cost processor logs a message in the processing log. If the cost component mapping is missing and there is no default mapping, you can create the mapping and the transactions will be processed in the next run. If there is a default mapping, the transaction is processed and you can review the message log to decide if you want to take further action: you can correct the mapping for future transactions, and you can create a cost adjustment to reclassify the costs as needed.

Cost component groups are one of the attributes of cost profiles, which the cost processor uses to determine how to calculate item costs. Cost component groups are defined at the set level and thereby have the advantages of set-level definitions for sharing and segregation. Cost component groups and cost profiles are both set enabled; therefore, only those cost component groups belonging to the same set as the cost profile are available to that cost profile.

Example 1: The following table describes mapping of one cost component to one cost element.

Mapping Group	Cost Component	Cost Element
MG1	PO Item Price	Material
MG1	PO Tax	Tax
MG1	Profit in Inventory	PII
MG1	Interorganization Freight	Freight Charges
MG1	Invoice Price Variance	IPV
MG1	Exchange Rate Variance	ERV
MG1	Tax Invoice Price Variance	TIPV

Example 2: The following table describes mapping of cost components to one or more cost elements.

Mapping Group	Cost Component	Cost Element
MG2	PO Item Price PO Tax NR Tax Invoice Price Variance Exchange Rate Variance Tax Invoice Price Variance	Material

Mapping Group	Cost Component	Cost Element
MG2	Interorganization Freight	Freight Charges
MG2	Profit in Inventory	PII

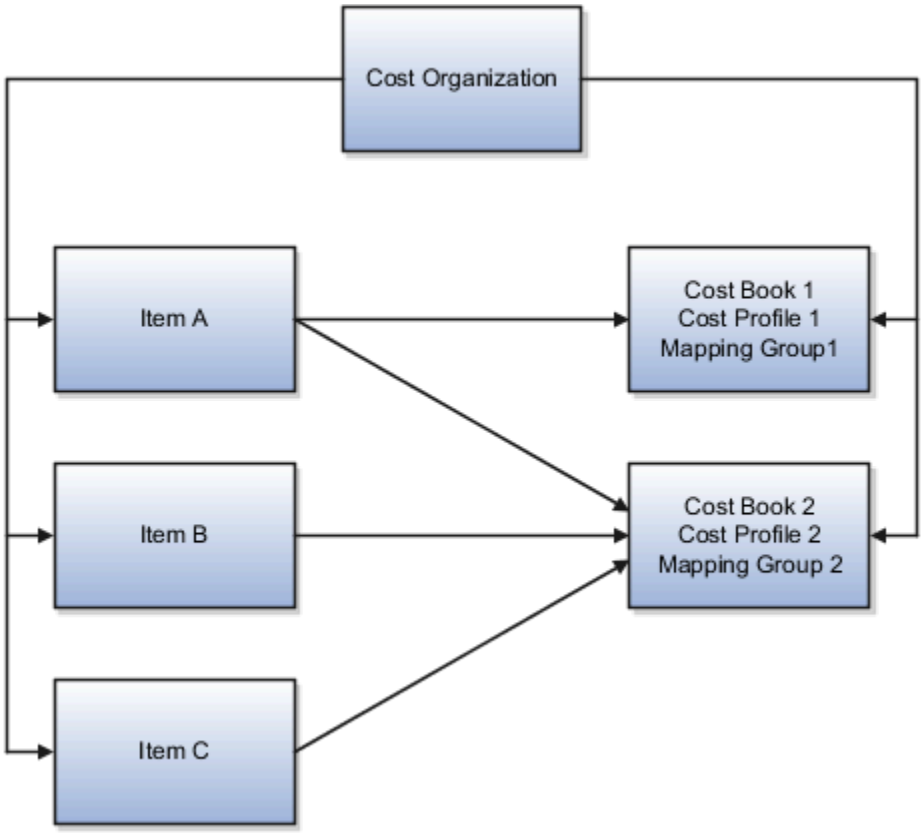
Example 3: The following table describes mapping of source cost elements to destination cost elements in an interorganization transfer.

Mapping Group	Source Cost Element Set	Source Cost Element	Destination Cost Element Set	Destination Cost Element
MG3	Country 1	Material Tax	Country 2	Material
MG3	Country 1	Freight Charges	Country 2	Freight Charges
MG3	Country 1	Other	Country 2	Other

You have flexibility in how you map cost component groups to items:

- Different items in a cost organization and book combination can have the same or different cost component group mappings if they use different cost profiles.
- One item can have different cost component group mappings in different cost books.
- Several cost organizations can share the same cost component group mappings if they belong to the same set, or if they're defined the same way in different sets.

The following figure illustrates different mappings of cost component groups to items. That is, in a cost organization, Item A maps to two cost groups, and item B and Item C maps to only one cost group.



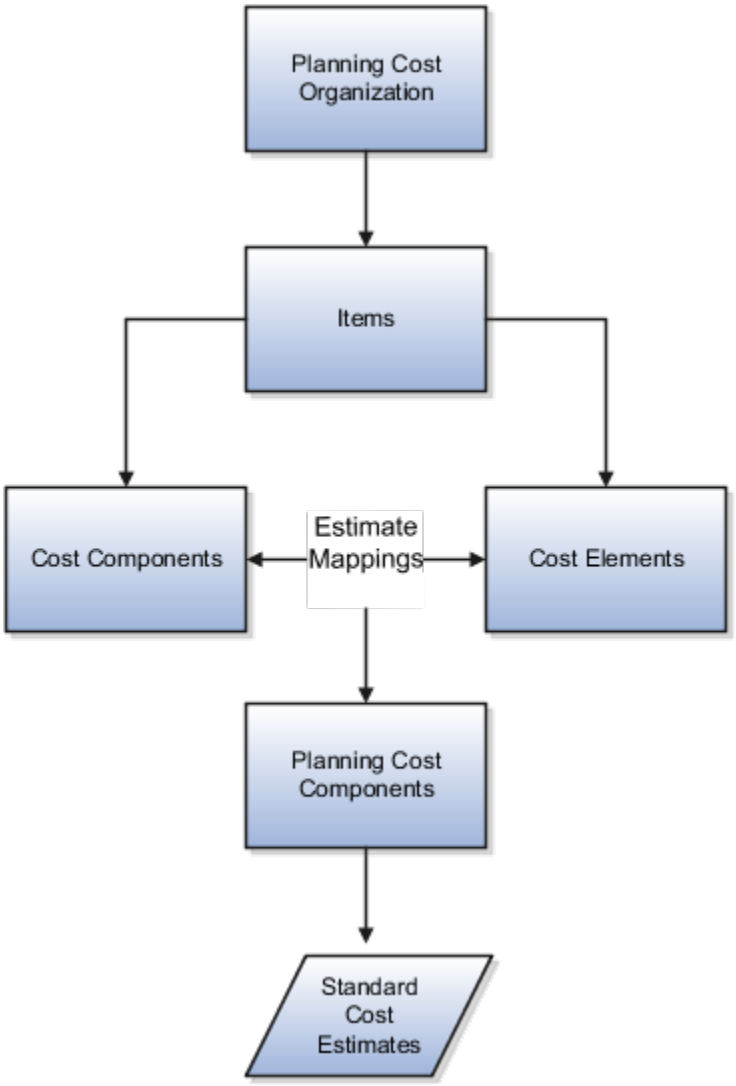
Related Topics

- Can I delete or edit a cost component group mapping?
- Cost Profiles, Default Cost Profiles, and Item Cost Profiles
- Manage Cost Elements and Analysis Groups
- Can I delete, deactivate, or edit a user-defined cost component code?

How Planning Cost Organizations, Planning Cost Components, and Cost Estimate Mappings Work Together

Standard cost planning refers to the process of estimating standard costs for use in the costing of inventory or manufacturing transactions. Planning cost organizations, planning cost components, and estimate mappings are the main elements used in the standard cost planning process.

This figure illustrates the relationship between the standard cost planning elements, and how they're used to generate standard cost estimates.



Planning Cost Organizations

Enabling a cost organization for cost planning helps to define and maintain costs across multiple locations and production facilities. One of the modeling options is to perform cost planning at the business unit level, by mapping all the inventory organizations belonging to the business unit to one cost organization.

Related Topics

Tax Calculation Methods

Overview

Canada supports the **General Tax Formula** method of tax calculation:

With this calculation method, depending on the type of earnings paid, the tax formulas determines the tax deduction amount:

- Regular
- Nonperiodic
- Lump Sum

Regular

The regular taxation formula applies to payments made on a regular basis, for example, salary paid to an employee. This formula aggregates the total annual amount, reduces the personal exemption amount from it and then determines the tax deduction.

Nonperiodic

A nonperiodic taxation formula is used for infrequent payments that can't be annualized accurately, for example, bonus paid to an employee. In this case, the tax formula uses the annualized wage (from the regular tax run), and then adds the nonperiodic payment on top of this. The tax deducted is the difference between tax deducted from annualized regular payments, and tax deducted on the annualized regular payments plus the nonperiodic payment.

Lump Sum

Lump sum payments (also referred to as single payment) include income from pensions and Deferred Profit Sharing Plans received when leaving a plan. They also include payments like severance or retiring allowance when leaving a company. All lump sum payments should be combined when determining the composite rate to use for income tax.

Federal Tax Calculation Methods

The Federal level tax calculation methods available for regular or nonperiodic payments include:

- Federal Tax Calculation Method- Regular:
    - Option 1- General Tax Formula
- Federal Tax Calculation Method- Nonperiodic
    - Regular Bonus Calculation
    - Year to Date Bonus Calculation

Provincial Tax Calculations

The Provincial level tax calculation method for regular and nonperiodic payments include:

- Provincial Tax Calculation Method- Regular:
    - Regular Payments
- Provincial Tax Calculation Method- Nonperiodic
    - Bonus,Retroactive Pay or Lump Sum Payments- Method 1

Organizational Tax

The organizational tax attributes that Canada supports include:

- *Tax Multiple Payments as One*

  A payee may have multiple assignments, with each assignment consisting of different tax information. You have an option to combine all payments from the various assignments and tax them all as one payment. This is an option set at the payroll statutory unit (PSU) or tax reporting unit (TRU) level, with an override at the payroll relationship level. This option relates to both federal and provincial levels of taxes.

- *Self-Adjust Methods*

  The Self-Adjust Method determines the calculation of withholding for taxes taken as a percentage of earnings, until an employee's earnings reach an upper earnings limit. The Self-Adjust Method bases withholding calculations on year-to-date earnings instead of earnings this period. This method is captured at the PSU or TRU level, with an override at the payroll relationship level. This option relates to both federal and provincial levels of taxes.

  The Self-Adjust Method is applicable for the calculation of:

  - Canada Pension Plan
  - Employment Insurance
  - Quebec Pension Plan
  - Quebec Parental Insurance Plan

  The Self-Adjust Method has these three options:

  - Self-Adjust
  - No Self-Adjust
  - Self-Adjust at Maximum

- *Employment Insurance (EI) Rate Per TRU*

  Employment Insurance is a federal tax that applies to both employees and employers, as they both contribute to this tax. EI is calculated from the first dollar earned, with no exemption and an annual maximum contribution limit is applicable. No override is necessary for the EI rate assigned to the TRU.

  If multiple rates are required for different employee populations, you must create a new TRU for each rate. A separate Employer Account Number is issued to each new TRU to report the EI amounts.

Rate Definitions

Overview of Rate Definitions

Use rate definitions to create rates such as salary rates, absence rates, time card rates, and other types of payroll rates.

Further, you can use a rate definition for different types of rate calculations. For example, use a salary rate definition to display an employee's salary on the salary page. You can also use it to display the employee's salary rate on the time card and to pay the employee's salary in Cloud Payroll.

Here are some rate types that you can create:

- Compensation rates, such as a base salary or car allowance rate.
- Rates based on a set of criteria and conditions. For example, a union rate that's based on the job and location of an employee.
- Rates with multiple rate contributors, such as an overall salary rate, which is the sum of multiple salary components.
- Rates derived on the grade of an employee, such as a base salary rate and payroll balance rates, such as pension reporting rate.
- Rates calculated based on other rates. For example, a shift allowance rate that's calculated based on a percentage of the employee's salary rate.

You can define minimum and maximum validation rules for your rate definition. For example, define a minimum rate rule to ensure that an employee isn't paid less than the minimum hourly rate for their job.

When you create a rate definition, you can define a frequency for the rate returned by the calculation, such as 50,000 annually, or 7.25 hourly. Alternatively, you can define a rate that's calculated for a unit of work, such as a shift rate, or a mileage rate. You can control if the application calculates the rate values live or retrieves it based on the results of the Generate HCM Rates process. For example, it's a common practice for salary rates to be calculated live when you enter the salary page for an employee.

As a cloud payroll user, you can calculate most rate calculations live in the payroll run. However, you'll need to perform some complex rate calculations using the Generate HCM Rates process. In this scenario, Cloud Payroll retrieves the stored rate value directly from the rates reporting table for an employee. You can use the rates generated by the Generate HCM rates process for generating reports, such as pension reports.

Use the Rate Definitions task to define and manage rate definitions.

Categories

To create a new rate, select a category from this table.

Category	What it Does
Derived Rate	Retrieves values from one or more payroll balances or other rate definitions, including rates that retrieve element entry values. Use this option to create a rate that retrieves a value from one or more rate contributors.
Element	Retrieves rate information from an element input value. When using salary rates, use this type of rate definition to create and update entries, such as create or update a salary element entry. Select a storage type of Amount or Factor and then select the name of a corresponding element. You can select one of these storage types: • Amount: Retrieves a value from or posts to the element input value with a special purpose of Primary Input Value. For example, 'Amount' is the primary input value for elements created with the flat amount calculation rule, such as salary. If you associate a flat amount salary element with a rate, the application retrieves or posts to the salary amount for an employee.

Category	What it Does
	• Factor: Retrieves a value from or posts to the element input value with a special purpose of Factor. The 'Factor' is the primary input value for elements created with the Factor calculation rule. Use this rate definition to apply the factor held on an element entry to a payroll balance. You can also use it to apply it to another rate definition including base rates or an overall salary rate. For example, the application calculates your company's car allowance rate based on a factor of salary. The application captures the factor value, such as 0.05 at the employee level on their car allowance element entry. When creating the car allowance rate definition, select your car allowance element to enable the rate to retrieve the factor value for an employee. In the rate contributor region, select your salary rate definition. This selection ensures that the application calculates the car allowance rate based on a factor value of the employee's salary rate. **Note:** The element rate doesn't support the input value information that's held on Hours x Rate elements. It's a common practice for the payment rate for this type of element to be based on a recurring flat amount element, such as salary. **Note:** Salary rates supports Factor, but the payroll run doesn't. Use the **Generate HCM Rates** process to calculate this type of rate. Also, you can use the process to retrieve the stored value in the payroll run using the predefined `CALL_CALC_VALUE` formula.
Value by Criteria	Retrieves values from a single value by criteria definition. A value by criteria definition specifies one or more evaluation conditions that determine a particular value or rate. You can specify the conditions as a tree structure to define the evaluation sequence. For example, you can define a value-by-criteria to capture car allowance and housing allowance values based on an employee's job. Define a rate definition to retrieve car allowance rates and another rate definition to retrieve housing allowance rates. Both rate definitions refer to the same value-by-criteria and use the criteria of job to retrieve the appropriate rate values for an employee.
Grade Rate	Retrieves values based on an employee's grade details.
Formula	Retrieves values from a rate definition formula. The Generate HCM Rates process supports the calculation of most formula-based rates. However, rates that include complex payroll formula contexts or use balances calculated within the payroll run, are calculated by the payroll run. **Note:** Formula-based rates are only supported for rate calculations in the payroll run.

Related Topics

- Rate Contributors for Derived Rates
- Configure Elements Used by Rate Definitions
- Overview of Values Defined by Criteria
- Options to Configure Rate Definitions
- Calculate Values Defined by Criteria

Options for Creating Rate Definitions

To create rate definitions you should know how to use the fields in the Returned Rate Details, Override and Defaulting Rules, and Contributor Rules sections to get your desired rate.

For rates based on a single element entry value, you can also apply override and defaulting rules.

This table describes the fields that appear in the Basic Details section on the Create Rate Definition page for the Derived Rate, Element, and Value by Criteria category types.

Field	Category	Description
Storage Type	Element	If you select the Element category to define a rate, you must select a storage type of **Amount** or **Percentage**. For example, you can create a rate definition using the Salary element. If the salary is held as a monetary value, select **Amount**. If the salary is a factor of another value, such as a balance, select **Percentage**. **Note:** This field is hidden for all rate definition categories other than Element.
Element Name	Element Derived Rate	For the Element category, this field isn't enabled until you select the storage type. Selecting an element automatically fills in the **Name** and **Short Name** fields with the element name. If you select the Element category to define a rate, you must select an element name. This is required if you're creating a primary rate. This is a rate that retrieves a value from a single element such as salary. For the Derived Rate category, the Element Name is enabled when you access the page.
Employment Level	Derived Rate Value by Criteria	Select either **Payroll Relationship**, **Term**, or **Assignment**. This field is mandatory for all derived rates and value by criteria rate definitions. It controls which employment ID the rates process uses when calling a rate.

Field	Category	Description
		If the employee has multiple assignments, the rates process uses the assignment ID to identify the correct assignment record for the employee. If the contributor value is held at a different level to the employment level defined on the rate, the rates process uses the employment ID to locate the correct record.
Status	Element Derived Rate Value by Criteria	You can set the status of a rate to active or inactive. An inactive rate can't be assigned to an employee. Employees that are allocated a rate while it was active aren't impacted by a change in status to inactive.
Base Rate	Element	Select this check box if the rate represents a base rate that another rate uses in its calculation. For example, you might have day shift employees and night shift employees, with different base pay rates. If each set of employees receives an allowance that's a percentage of the base rate, you only need to define one allowance rate that's calculated based on the two rates that have the **Base Rate** check box selected.
Overall Salary	Element Derived Rate	If you're defining rates for use on the Salary page, you must use the derived rate category and define an Overall Salary. To do this, you must associate a salary element to the rate. It's recommended that you define an Overall Salary Information element for this purpose.
Reporting Required	Element Derived Rate Value by Criteria	Select this check box to indicate if the calculated rate value should be stored on the rate table for reporting purposes. If you're defining rates for use on the Salary page, you must select this option. Rate definitions with this check box selected are included when the Generate HCM Rates batch process is run. Use this feature to report on primary rates, not derived rates. It's also used for HCM extracts to send data to third parties.
Value by Criteria Name	Value by Criteria	If you select the Value by Criteria category to define a rate, you must select a Value by Criteria name. A value by criteria definition specifies one or more evaluation conditions that determine a particular value or rate.

Returned Rate Details

Use this section of the page to specify the periodicity of the returned rate, factor rules, currency, decimal display, rounding rules, and minimum and maximum rules. If the process returns a rate that's outside the minimum and maximum range, you can set up an action that enforces the rule, displays a warning, or forces the user to fix the error. Additionally, you can select the **Return FTE Rate** check box to instruct the rate definition process to return a part-time value by applying an employee's FTE to the rate value.

Periodicities

You must specify a periodicity, such as hourly or weekly, for the returned rate and each rate contributor. When you use the rate in a formula, you can, however, override the default periodicity.

The rate calculation converts each contributor to the periodicity specified on the rate contributor. It then adds or subtracts the rate contributors, even if the periodicities are different. In most cases, they will be the same. Once the rate contributors are summed, the rate calculation then converts them into the return periodicity and currency.

For example, for a rate with a periodicity of weekly using the Standard Rate Annualized conversion formula, the rate calculation does the following:

1. Calculates an annual figure from the value and periodicity of each contributing earning and deduction.
2. Converts the annual figure into a weekly value.

By default, rates are converted using these predefined rate conversion formulas:

- Standard Rate Annualized
- Standard Rate Daily
- Standard Working Hours Rate Annualized
- Assignment Working Hours Rate Annualized
- Periodic Work Schedule Rate Annualized

If the values in the predefined conversion rules don't meet your requirements, you can create your own.

Factor Rules

You can apply a factor or multiplier to a calculated rate, or to an individual rate contributor. To apply a factor rule:

- Select Value as the factor rule
- In the Factor field enter the number by which you want to multiply the rate
- Add the contributor

You can apply a factor rule to the rate definition, rate contributors, or both. For example, you can define rate contributors to calculate hourly values based on salary and bonus. You can then apply a factor of 1.0 or 100 percent to the salary balance contributor and a factor of 0.5 or 50 percent to the bonus balance contributor. The factor rule is applied to the rate before the periodicity conversion is applied.

Minimum and Maximum Values

You can define minimum and maximum values for the returned rate, and for individual rate contributors. If the calculation returns a rate that's outside the minimum or maximum range, you can set up an action if the value is out of the minimum or maximum range.

Use the **Limit Violation Action** field to display an error, warning, or enforce the application to use minimum or maximum value that you enter. For example, you can enter 500 as the minimum value and then select **Enforce Rules**. If the returned value comes back as 400, the application uses 500 as the value.

This table explains the options for the minimum and maximum rate values

Value	Comments
Null	No minimum or maximum value
A specified value	Example: 2000
Based on another rate	Uses the calculated value of the rate definition that you select. **CAUTION:** Be careful that you don't create a loop. For example, Rate A has minimum value that's based on Rate B, which has a minimum value based on Rate A. This situation would result in a runtime error.
Value by Criteria	Minimum or maximum value based on a value by criteria definition.

Override and Defaulting Rules

This tab only displays if you select Element as the category when you create your rate definition. On this tab, you can set up override rules for the element associated with your rate definition. If you select the **Override Allowed** check box, you can enter rate values on the Salary page.

Note: You can't define override and defaulting rules if you select the Values by Criteria category to define a rate,

You can select a formula to validate any rate that's returned and also use formulas to create default values.

For example you could use the HCM Rates Default Value formula type to define the number of workdays in a year for your organization.

```
workday = 250
periodicity = YEAR
currency = CAD
return workday, periodicity, currency
```

In addition, you can use a value by criteria definition as the default type. In this example, the process uses the value for the first record created and then carries that value forward in subsequent records, unless it's manually overridden. The rate created using the value by criteria method is reevaluated by the rate engine for each subsequent record and could therefore change. For example you could use a value by criteria definition to enable a default value of 10 percent for bonuses that are targeted to all eligible employees.

Contributor Rules

This tab enables you to specify the periodicity for the contributor total. You can also decide to process contributor totals as full-time equivalency amounts by selecting **Yes** in the **Process Contributor Total as FTE Amount** field. The final rate value is converted from this status to the Return Rate FTE status.

Note: This tab isn't available for rate definitions using the Element and Value by Criteria categories. In addition, you can't define contributor rules if you select the Value by Criteria category to define a rate.

Information

This tab enables you to enter text that instructs or explains the purpose of the rate, how the rate is calculated, or provides further details for the rate. Entering information in this section is optional. This tab isn't available for rate definitions using the Value by Criteria categories.

Rate Contributors for Derived Rates

You can add four different types of rate contributors to your rate definitions. These rate contributes include, Balance, Base Rate, Overall Salary, and Rate Definitions.

You can add rate contributors when you define a rate using the Derived Rate category. You can also manually add rate contributors for the Element category when the storage type is Factor.

For example, if you define a bonus rate which is 0.1 (10 percent) of average earnings, then you do these steps.

- Enter 0.1 as the factor on the element.
- Define a rate contributor based on your average earnings balance.

Rate Contributor Types

This table lists the types of rate contributors, descriptions, and the additional fields that display for each type.

Type	What it Contains	Additional Fields
Balance	Value calculated by these payroll processes. • An employee's average salary rate over their last three months of salary payments • Taxable earnings for the last tax year • Commissions paid in the last quarter	Balance Name Balance Dimension Divisional Balance
Base Rate	Value from the employee's Base Rate	Employment Level
Overall Salary	Value from the employee's Overall Salary rate **Note:** Each overall salary element must be associated with only one overall salary rate. In addition, if the rate definition is an overall salary rate, you can't select Overall Salary as the Contributor Type.	Employment Level
Rate Definition	Other rate definitions that contribute to the rate definition you're creating.	Rate Name

Type	What it Contains	Additional Fields
	For example you can add regular salary, car allowance, and bonus pay rate contributors together to create an overall salary definition.	

Reference Dates

You can select a reference date, which is the date the application uses to retrieve rate contributor information for the rate calculation. The reference date specifies the context for the balance dimension.

For example, to retrieve a rate as of the actual start of an absence, select Absence Start Date. To retrieve a rate as of a specific time period, select a specific time period.

The Reference Date field lists only these types of time definitions:

- Time Span - a period of time, such as three months
- Retrieval Date - a type of time definition that's based on a database item

Selecting a value for the Reference Date field is optional.

Note: If you don't select a reference date, the application uses the effective as-of date that's used by the rate engine to calculate the rate.

Single or Multiple Rate Contributors

If the rate definition is based on multiple values, you may need to create multiple rate contributors, as explained in this table.

Rate	Number of Rate Contributors
A single earning or deduction, such as salary	One
A combination of earnings, such as the sum of salary and car allowance payments	Multiple, if salary and car allowance are stored as separate rate definitions

Note: All balances and element entries that contribute to a rate must use the same currency.

Example: Using multiple rate contributors, an hourly holiday pay rate could be based on adding together these values, which are all paid at the end of the previous year.

- Salary
- Incentive bonus
- Seniority bonus
- Other changeable components of remuneration

Related Topics

- Configure Elements Used by Rate Definitions
- Create Rate Definitions for Leave
- Create a Rate Definition for Basic Salary
- Create Rate Definitions for Overall Salary

Configure Elements Used by Rate Definitions

If you create rate definitions that reference element input values, you must configure them for the different calculation rules, such as Flat Amount and Factor.

This ensures that the values calculated by the rate are consistent with the values processed through payroll.

Elements use the predefined CALL_CALC_VALUES formula to calculate rate values in Calculate Payroll and Generate HCM Rates. Each element also requires the necessary payroll calculation information is defined such as values definitions, calculation steps and calculation factors.

When you create elements with a category such as Time Card or Absence, you can associate a default rate definition and the application generates all the rules and definitions required to calculate the rate.

When you create elements with a category of Standard, you need to update the element formula to use CALL_CALC_VALUE and create the payroll calculation information required to associate the rate definition to the element and calculate the rate.

Do these element configuration steps if you're using this element for a rate definition with the category element.

1. Create an element of type **Recurring** or **Assignment level**.
2. Don't select the **Multiple Entries Allowed** check box.
3. Select a special purpose for each element input value.
    a. **Primary Input Value** for an Amount value.
    b. **Factor** for a Factor value.
    c. **Periodicity** for a Periodicity value.

    > **Note:** When creating elements for use in rate definitions, don't select Periodically. The Rate Definition process is unable to convert rates with a periodicity of periodically to different frequencies such as annual, weekly, and daily.

4. If the flat amount is a full-time equivalent value, you must select **Yes** in the **Default** field for the Full-Time Equivalent input value.
5. Create element eligibility.

Configure Elements to Create Rate Definitions for Flat Amount Calculations

1. On the Home page, click the **Elements** quick action under the **My Client Groups** tab.
2. Click **Create**.

3. Enter these values.

Field	Value
Legislative Data Group	Select your legislative data group
Primary Classification	Standard Earnings
Category	Standard

4. Click **Continue**.
5. Enter a name, reporting name, and description.
6. Enter the effective date.
7. Answer the questions in the Duration and Standard Rules sections.

> **Note:** Multiple entries aren't allowed.

8. For the question, At which employment level should this element be attached?, select **Assignment Level**.
9. For the question, Does this element recur each payroll period, or does it require explicit entry? select **Recurring**.
10. Click **Next**.
11. In the Calculation Rules section, select **Flat Amount** and then click **Next**.
12. Click **Submit**.
13. On the Element Summary page under the Input Values folder, select **Full-Time Equivalent**.
14. Check that these values exist.

Field	Value or Check Box Status
Name	Full-Time Equivalent
Special Purpose	Full-Time Equivalent
Unit of Measure	Character
Displayed	Selected
Allow User Entry	Selected
Required	Deselected
Create a Database Item	Selected
Default	No

Field	Value or Check Box Status
Lookup Type	PAY_TMPLT_YES_NO

Configure Elements to Create Rate Definitions for Factor Calculations

1. Repeat steps 1 through 9 in the first procedure.
2. In the Calculation Rules section, select **Factor** and then click **Next**.
3. Click **Submit**.
4. On the Element Summary page under the Input Values folder, select **Pay Value**.
5. Check that these values exist.

Field	Value or Check Box Status
Name	Pay Value
Special Purpose	Primary output value
Unit of Measure	Money
Displayed	Selected
Allow User Entry	Selected
Required	Deselected
Create a Database Item	Selected

6. On the Element Summary page under the Input Values folder, select **Factor**.
7. Check that the following fields and values exist.

Field	Value or Check Box Status
Name	Factor
Special Purpose	Factor
Unit of Measure	Number

Field	Value or Check Box Status
Displayed	Selected
Allow User Entry	Selected
Required	Deselected
Create a Database Item	Selected

Test Your Element Configuration

You're almost done. Now, to test your element configuration, follow these steps.

Note: These procedures are for payroll users only.

Step	Page	Do This Action
1	My Client Groups	Find a payroll and an employee that you can use for testing purposes.
2	Elements	For the Flat Amount element, use the Pay Value balance feed to enter an Eligible Compensation balance for the Percentage element.
3	Element Entries	Add the Flat Amount and Percentage elements to the employee as element entries and enter input values.
4	Submit a Process or Report	Enter a suitable period for the payroll you selected in step 1.
5	Submit a Process or Report	Run the payroll.
6	View Payroll Process Results	Check if the payroll results are correct.

Related Topics

- Overview of Rate Definitions
- Rate Contributors for Derived Rates
- Overview of Payroll Calculation Information Formulas
- Options to Configure Rate Definitions
- Calculate Standard Earnings Rate Using Values Defined by Criteria
- Payroll Calculation Information

Create Rate Definitions for Leave

In this example, let's calculate an employee's absence rate as of a particular date.

The rate includes a combination of average salary and car allowance. The employee has an annual year-to-date salary of 26,000. The employee also receives an annual car allowance payment of 2,000. The absence rate is 26,000 + 2,000 = 28,000. To provide a daily absence rate, you convert this rate into a daily rate.

This table summarizes the key information you use in the example.

What You Need To Consider	For This Example
What elements do I need to create before I define the rate?	• Salary (assignment level) - This element contains the salary value to be retrieved by the rate definition. You must create it using the Flat Amount calculation rule. • Car Allowance (assignment level) - This element contains the car allowance value to be retrieved by the rate definition. You must create it using the Flat Amount calculation rule. • Absence - Use the Absence template to create the element. Enter Sickness as the classification and Absence as the category.
Which balances hold the contributing values?	• Salary is fed by the Salary element. • Car Allowance is fed by the Car Allowance element.
Should I process contributor totals as full-time equivalent amounts?	Yes

Create the Rate Definition

1. On the Home page, click the **Rate Definitions** quick action under the **My Client Groups** tab.
2. In the Search Results section, click **Create**.
3. Enter these values.

Field	What You Select
Category	Derived Rate
Effective Start Date	A date that's after the creation date of the objects that you're referencing

Field	What You Select
Legislative Data Group	Your legislative data group

4. Click **OK**.
5. In the Basic Details section, enter these values.

Field	Value
Name	Absence Rate - Salary and Car Allowance
Short Name	ABS RATE - SAL/CAR ALLOW

6. In the Returned Rate Details section, **Periodicity** field, select **Daily**.
7. Click the Contributor Rules tab and in the **Process Contributor Total as FTE Amount** select, **Yes**.

   The balances referenced need to be populated using payroll runs for the periods covered by the balance dimension or the rate definition won't generate a meaningful value.

Create Rate Contributors

1. In the Rate Contributors section, click **Create**.
2. In the **Contributor Type** field, select Balance and click OK.
3. On the Create Rate Contributors page, enter these values.

Field	What You Enter
Add or Subtract	Add
Balance Name	Regular Salary
Balance Dimension	Assignment State Period to Date
Periodicity	Daily

4. Click **Save and Continue**.
5. In the Rate Contributor section, click **Create**.
6. In the **Contributor Type** field, select **Balance** and click **OK**.

7. On the Create Rate Contributor page, enter these values.

Field	What You Enter
Add or Subtract	Add
Balance Name	Car Allowance
Balance Dimension	Assignment State Period to Date
Periodicity	Daily

8. Click **Save and Continue**.
9. Click **Submit**.
10. Assign an Absence element entry to the employee's assignment. You will then need to pass the absence entry to payroll using the absence interface.

Related Topics

- Rate Contributors for Derived Rates
- Generate HCM Rates
- Integrate Absence Management with Global Payroll
- Options to Configure Rate Definitions

Create a Rate Definition for Basic Salary

This example demonstrates how to create a primary rate for a basic salary. After you run the rate engine, the Element Entries - Person Details page displays the values for eligible employees.

Before you define the rate, create the salary element at the assignment level. This element contains the salary information to be retrieved by the rate definition. You can create it using the flat amount or factor calculation rule.

How to Create the Basic Salary Rate Definition

Complete these steps to create the basic salary rate definition.

1. In the Payroll Administration work area, click the **Rate Definitions** task.
2. Click **Create**.
3. Complete the fields, as shown in this table.

Field	Value
Category	Element
Effective Start Date	Enter the current date.

Field	Value
Legislative Data Group	Enter your legislative data group.

4. Click **OK**.
5. Complete the fields, as shown in this table.

Fields	Value
Storage Type	Amount
Element Name	Regular Salary

6. In the Returned Rate Details section, complete the fields, as shown in this table.

Field	Value
Periodicity	Annual
Periodicity Conversion Formula	ANNUALIZED RATE CONVERSION
Currency	Canadian Dollar

7. Click **Submit**.

Create Rate Definitions for Overall Salary

This example demonstrates how to create a rate definition for overall salary that includes multiple rate contributors.

In this example, include regular salary and car allowance in an employee's overall salary. Include only 50 percent of the amount paid for car allowance in the overall salary. Creating a rate definition for overall salary includes:

- Create the overall salary rate definition
- Add the regular salary rate contributor
- Add the car allowance rate contributor

Note: The overall salary rate definition is a derived rate. To populate the Overall Salary check box, select a salary element in the Element name field. You then add the regular salary rate and car allowance rate contributors to the rate definition. The rate contributors that you add should be elements that you select from the Rate Name field on the Create Rate Contributor page.

How to Create the Overall Salary Rate Definition

1. In the Payroll Administration work area, click the **Rate Definitions** task.
2. Click **Create**.
3. Complete the fields, as shown in this table.

Field	Value
Category	Derived Rate
Effective Start Date	Enter the current date.
Legislative Data Group	Select your legislative data group.

4. Click **OK**.
5. Complete the fields, as shown in this table.

Field	Value
Name	Overall Salary
Short Name	OVERALL_SAL
Element Name	Salary

6. In the Returned Rate Details section, complete the fields, as shown in this table.

Field	Value
Periodicity	Weekly
Periodicity Conversion Formula	ANNUALIZED RATE CONVERSION
Currency	Canadian Dollar

How to Add the Regular Salary Rate Contributor

1. In the Calculation section, click **Create**.
2. Enter **Base Rate** in the Contributor Type field and then click **OK**.
3. Complete the fields as shown in this table.

Field	Value
Add or Subtract	Add
Employment Level	Payroll Assignment
Periodicity	Weekly

4. Click **Save and Continue**.

How to Add the Car Allowance Rate Contributor

1. In the Calculation section, click **Create**.
2. Enter **Rate Definition** in the Contributor Type field and then click **OK**.
3. Complete the fields as shown in this table.

Field	Value
Add or Subtract	Add
Rate Name	Car Allowance
Periodicity	Weekly
Factor Rule	Value
Factor Value	0.5

4. Click **Save and Continue**.
5. Click **Submit**.

Generate HCM Rates

Submit the Generate HCM Rates process to calculate and store most types of rate definitions.

You can use the stored rate values for reporting payroll calculations. Run this batch process frequently to ensure the stored rate values are accurate. After you run this process, you can report on the rates using extracts. The user entity includes the database items that you can use in reports.

Use this flow to calculate and store most types of rate definitions in these scenarios.

- Rates that are associated with an element. For example, a salary rate definition is associated with a salary element. The process calculates a salary rate value for all workers with a salary element entry.
- Rates values for factor based element rates. Use the Generate HCM Rates process to calculate and store rate values for factor based element rates. You can retrieve this value in the payroll run.
- Rates that are associated with a value definition. Certain types of elements, such as time elements, use payroll calculation information rules and definitions. For example, a value definition is generated for an overtime element and this is associated with an overtime rate definition. The process calculates an overtime rate value for all workers with an overtime element entry.
- Rates that are based on a value-by-criteria defined for an assignment level criteria, such as a worker's grade or location.
- Rates that are based on a formula. However, such rates are calculated in a payroll run.
- Rates that are derived. For example, a rate that's derived based on the sum of car and housing allowance rates. In this case, the Generate HCM Rates process calculates the car allowance rate, the housing allowance rate, and the derived rate.

The stored rate values can be used for reporting or retrieving for payroll calculation purposes.

The application provides database items to support the rate batch process. These array database items return all rates associated with a payroll relationship record as of a specific date.

Note: The REPORTING_RATE_VALUES and REPORTING_RATE_PERIODICITIES database items return values based on the return rate details defined on the rate definition. The other periodicity database items, such as REPORTING_RATE_QUARTERLY, return a rate that's converted to the specified periodicity.

The Generate HCM Rates process supports the database items listed in this table.

Database Items	Description
REPORTING_RATE_NAMES	Name of the rate
REPORTING_RATE_VALUES	Value of the rate
REPORTING_RATE_PERIODICITIES	Periodicity of the rate
REPORTING_RATE_FTE_FLAGS	Full-time status of the rate
REPORTING_RATE_TERM_NUMBERS	Term number associated to the rate values
REPORTING_RATE_ASG_NUMBERS	Assignment number associated to the rate values
REPORTING_RATE_WEEKLY	Weekly rate value
REPORTING_RATE_MONTHLY	Monthly rate value
REPORTING_RATE_QUARTERLY	Quarterly rate value.

Database Items	Description
REPORTING_RATE_YEARLY	Annual rate value
REPORTING_RATE_PT_WEEKLY	Part-time weekly rate value
REPORTING_RATE_PT_MONTHLY	Part-time monthly rate value
REPORTING_RATE_PT_QUARTERLY	Part-time quarterly rate value
REPORTING_RATE_PT_YEARLY	Part-time annual rate value
REPORTING_RATE_FT_WEEKLY	Full-time weekly rate value
REPORTING_RATE_FT_MONTHLY	Full-time monthly rate value
REPORTING_RATE_FT_QUARTERLY	Full-time quarterly rate value
REPORTING_RATE_FT_YEARLY	Full-time annual rate value
PER_ASG_ESTABLISHMENT_ID	Establishment
PER_ASG_UNION_ID	Worker Union ID
PER_ASG_UNION_NAME	Worker Union Name
PER_ASG_JOB_MANAGER_LEVEL	Job Manager Level
PER_ASG_JOB_MANAGER_LEVEL_NAME	Job Manager Level Name
CMP_ASSIGNMENT_SALARY_BASIS_NAME	Salary Basis
PER_ASG_COLLECTIVE_AGREEMENT_ID	Collective Agreement
PER_ASG_BARGAINING_UNIT_CODE_NAME	Bargaining Unit Name
PER_ASG_BARGAINING_UNIT_CODE	Bargaining Unit Code
PER_ASG_ACTION_CODE	Action Code
PER_ASG_ACTION_REASON_CODE	Action Reason

Database Items	Description

Run the process if these conditions apply.

- Changes to the data referenced by the rate, which may include element entries, grade rates, and values defined by criteria. This process only reports the rate values. It doesn't update, delete, create, or have any impact on the underlying objects.
- Updates to rate definitions, such as when a new rate contributor is added or removed, or the rate is made inactive.
- Changes to employee records that impact their salary rates, such as changes to job or grade.

Note: You should run the process before any operation that depends on the values that are stored in the table. For example, if you have a rate based on seniority, values could change simply by the passage of time.

Let's look at the steps to run the process.

1. On the Home page, click the **Submit a Flow** quick action under the **My Clients** group.
2. Select your legislative data group.
3. Select the **Generate HCM Rates** flow pattern.
4. Enter these values for the **Process Mode** field:

   Note: Review how your company uses the information generated by the Generate HCM Rates process and ensure that you're selecting the appropriate process mode parameter. The mode controls the frequency of rate calculations performed for each employee. The higher the frequency and number of rate calculations, the more accurate the rates, but this will be reflected in the overall performance of the Generate HCM Rates process. For more information, see "Control the Start and End Date of the Rate Calculation Period".

Mode	Description	Accuracy
Fast	Uses the start and end date specified to calculate the rate value. If the rate value is the same for both dates, it determines that the rate value is the same over the entire period. If the start and end values are different, this method then determines a value in the middle, and compares it with the start and finish values to see where the change occurred. This process repeats until the date of the change is found. This is known as a binary chop algorithm.	This is the quickest but least accurate method to calculate rate values. It misses any changes if a rate value goes up and then back down to the same value that's calculated at the start and end dates. Select this option when you need detailed rate details for reporting purposes, but you don't require 100% accuracy. As the name suggests, this option will deliver the best performance for the Generate HCM Rates process.
Full	Performs separate rate calculations for every day within the rate calculation period.	Slowest but most accurate method. This mode ensures that rates are 100% accurate, but the volume of calculations per employee is very high. It's recommended you only select this option if you are using

Mode	Description	Accuracy
		the rates stored by the Generate HCM Rates process for payroll calculation purposes.
Periodic	This method works the same as Fast, except that you can specify the number of days the process calculates rates between the start and end dates.	The accuracy of this method is half-way between the Fast and Full modes. Select this option when you need more precise rate details for reporting purposes. The number of days you enter will control the accuracy and performance of the Generate HCM Rates process. For example, when you select a 7-day period, the process will calculate the rate for an employee at the start and end of each 7-day period. If these rates are the same, the process will assume that the employee rate did not change. and will move on to the next 7-day period. If the rates are different, the process will calculate daily rates within the 7-day period to identify the date on which the rate changed. When you select a 14-day period, the process will work in the same manner, but the rates will be calculated at the start and end of each 14-day period. In this example, the 7-day option is more accurate, but the Generate HCM Rates process will take longer because it's performing more calculations than the 14-day option. So, the lower the number you enter in the **Number of Days** parameter, the more accurate is the rate calculation of the Generate HCM Rates process.

5. Click **Next**.
6. Select a flow submission.

> **Note:** If you select **Using a schedule**, you must also select a frequency, such as once, weekly or daily.

> **Note:** Use the **Payroll Relationship Group** parameter to reduce the number of employees included in the Generate HCM rates process. The Payroll Relationship Group parameter supports these relationship groups:
>
> a. Static and dynamic payroll relationship groups.
> b. Groups that include assignment or payroll relationship records.

7. Click **Next** and then **Submit**.

Control the Start and End Date of the Rate Calculation Period

It's essential that you understand the HCM rates configuration for your organization in detail, so that you know what type of updates can result in a rate change, and who makes those changes. You can then define the start and end date of rate calculations to meet the business requirements of your company. The shorter the time span, the fewer rate calculations will be performed, and this is reflected in the performance of the Generate HCM Rates process.

Use the **Generate HCM Rates Start Date** parameter to set an earliest start date for rate calculations. For example, set this parameter to 2020-01-01 (YYYY-MM-DD), and the Generate HCM Rates process will only recalculate rates from this date.

Note: This parameter applies only when you're using the Full or Periodic modes.

The rates process automatically calculates the rate changes that occur up to 2 years in the future. If this rate information is not required, use the "Set the default end date limit for the rate" batch process to stop the calculation of future dated rates. This parameter captures the number of years in advance the rates are calculated. Set to 0 to ensure that the rates are only calculated up to the process end date you entered while submitting the Generate HCM Rates process.

Related Topics

- Overview of Rate Definitions
- Rate Contributors for Derived Rates
- Options to Configure Rate Definitions
- Create Rate Definitions for Overall Salary

Use Rate Calculation Formula

You can define rates based on Fast Formula.

Let's consider an example where an employee can work in a job at a higher grade than their normal job. The rate paid to that employee is based on different criteria and includes rules, such as the minimum rate must be at least 1.00. You can use a formula to step up the grade to the next level and to return the rate assigned to that higher grade.

On the Rate Definition page, **Calculation Formula** field, select the **HCM Rates Calculate Value** formula type. The formula type supports contexts, such as assignment, payroll relationship, and job. You can select and create the correct formula for rate definitions from all standard database items.

Write a Formula

You can write your own formula when the formula type is **HCM Rates Calculate Value**.

The formula has certain inputs and return value, but the rate always returns these values:

- Monetary Amount
- Currency
- Periodicity

Note: Formula-based rates are only supported for rate calculations in the payroll run.

Examples

In this formula, the return values set to 65.23, but you can add the required logic to calculate the rate return values.

```
Default for value_name is EMPTY_TEXT_NUMBER
default for value_value is EMPTY_TEXT_NUMBER
default for value_datatype is EMPTY_TEXT_NUMBER

inputs are

 value_name (text_number),
 value_value (text_number),
 value_datatype (text_number),

AMOUNT = 65.23
CURRENCY = 'USD'
PERIODICITY = 'YEAR'
 return AMOUNT, CURRENCY, PERIODICITY
```

Let's consider another example where the formula returns a rate based on a job. You can use this formula to calculate a rate value when an employee works in a job at a higher grade than at their normal job.

```
default for value_name is EMPTY_TEXT_NUMBER
default for value_value is EMPTY_TEXT_NUMBER
default for value_datatype is EMPTY_TEXT_NUMBER

default for PER_ASG_ELIG_JOBS_CURRENCY is 'UNKNOW'
default for PER_ASG_ELIG_JOBS_END_DATE is '0001/01/01 00:00:00' (date)
default for PER_ASG_ELIG_JOBS_FREQUECY is 'YEARLY'
default for PER_ASG_ELIG_JOBS_FROM_DATE is '0001/01/01 00:00:00' (date)
default for PER_ASG_ELIG_JOBS_JOB_CODE is 'UNKNOW'
default for PER_ASG_ELIG_JOBS_JOB_ID is 0
default for PER_ASG_ELIG_JOBS_JOB_NAME is 'UNKNOWN'
default for PER_ASG_ELIG_JOBS_MANUAL_RATE is 0
default for PER_ASG_JOB_ID is 0

inputs are
 value_name (text_number),
 value_value (text_number),
 value_datatype (text_number)

 AMOUNT = 0
 PERIODICITY = 'YEARLY'
 CURRENCY = 'USD'

 l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - count is : ' || to_char(value_name.count))
 l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - count2 is : ' || to_char(value_value.count))
 l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - count3 is : ' || to_char(value_datatype.count))

 l_job_id = PER_ASG_JOB_ID
 l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - l_job_id is : ' || to_char(l_job_id))

 i = 0
 while (i < value_name.count) loop
 (
 l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - name is : ' || value_name[i])
 l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - value is : ' || value_value[i])
 l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - datatype is : ' || value_datatype[i])

 if(value_name[i] = 'PER_ASG_JOB_ID') then
 (
 l_job_id = to_num(value_value[i])
 l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - l_job_id has been set with : ' || to_char(l_job_id))
 )
```

```
i = i + 1
)

CHANGE_CONTEXTS(JOB_ID = l_job_id)
(
l_t_dummy = PER_ASG_ELIG_JOBS_CURRENCY
l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - l_t_dummy is : ' || l_t_dummy)
if(l_t_dummy != 'UNKNOW') then
(
CURRENCY = l_t_dummy
)

l_dt_dummy = PER_ASG_ELIG_JOBS_END_DATE
l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - l_dt_dummy is : ' || to_char(l_dt_dummy))

l_t_dummy = PER_ASG_ELIG_JOBS_FREQUECY
l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - l_t_dummy is : ' || l_t_dummy)
if(l_t_dummy != 'UNKNOW') then
(
PERIODICITY = l_t_dummy
)

l_dt_dummy = PER_ASG_ELIG_JOBS_FROM_DATE
l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - l_dt_dummy is : ' || to_char(l_dt_dummy))

l_t_dummy = PER_ASG_ELIG_JOBS_JOB_CODE
l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - l_t_dummy is : ' || l_t_dummy)

l_n_dummy = PER_ASG_ELIG_JOBS_JOB_ID
l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - l_n_dummy is : '||to_char(l_n_dummy))

l_t_dummy = PER_ASG_ELIG_JOBS_JOB_NAME
l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - l_t_dummy is : ' || l_t_dummy)

l_n_dummy = PER_ASG_ELIG_JOBS_MANUAL_RATE
l_log = PAY_INTERNAL_LOG_WRITE('[RATE_FML] - l_n_dummy is : '||to_char(l_n_dummy))
if(l_n_dummy > 0) then
(
AMOUNT = l_n_dummy
)
)

return AMOUNT, PERIODICITY, CURRENCY
```

Related Topics

- Overview of Rate Definitions

Rates Used to Calculate Absences in Payroll

You can specify a rate for use in calculating an absence in an absence plan or an absence element.

When processing absence entries in a payroll run, the formula associated with the absence element uses the Rate Converter global formula to convert rates. The formula checks for a rate in this sequence.

1. Absence plan
2. Absence element
3. Compensation salary element

Absence Plan

In Oracle Fusion Absence Management, you can select a rate rule on the **Entries and Balances** tab of the **Create Absence Plan** page. The rate rule calculates the units passed to payroll when you record an absence. You can select rate rules for the absence payment, final disbursement, discretionary disbursement, and liability balance calculation.

For third-party absence providers, the application transfers the rate information and override rates in the HCM Data Loader file attached to the Load Absence Batch process.

Absence Element

If you don't specify rates in the absence plan, you can specify a rate when you create the absence elements. The type of absence information determines the rates you can select. For example, for plans where you transfer accrual balances and absences, you can select different rates for these calculations.

- Absence payments
- Discretionary disbursement
- Final disbursement
- Liability balance rate

As best practice, specify a rate in either the plan or the element. If you specify in both, ensure the rate for the element is same as the rate you selected in the corresponding plan.

Compensation Salary Element

If the formula doesn't find a rate specified in the plan or the element, it uses the compensation salary element.

When you associate a payroll element to a salary basis, you specify an input value that holds the base pay on a worker's element entry. The monetary amount or rate recorded in the element entry is the salary value in the worker's salary information held on the assignment. If you specify a rate, the formula uses this rate if it doesn't find one defined in the absence plan or absence element.

Related Topics

- Define Payroll Elements for Processing Absences for the US

FAQ for Rate Definitions

How does periodicity conversion work when there are multiple contributors with different periodicities?

Sometimes, you may need to add a base salary, which is an annual figure, to a 13th month salary. This 13th month salary is a monthly figure that's calculated from the annual base salary.

The base salary in this example is held as anannual amount on an element entry as 24,000. The 13th month salary is 2,000 (24000 / 12). If you add each of thesecontributors together, the sum of the contributors is 26,000 (24,000 + 2,000).

At this point you have added an annual figure to a monthly figure, but you haven't indicated what the periodicity of the total is. On the Create Rate Definitions page, if you select Annual in the Contributor Total Periodicity field, the sum of the contributors is 26,000. If you select Monthly, the application converts the contributors to 312,000 (26,000 * 12), which is now the annual figure.

Note: When the formula is called to calculate the rate, there is an option to override the return periodicity of the rate.

Related Topics

- Rate Contributors for Derived Rates
- Options to Configure Rate Definitions

Values Defined by Criteria

Overview

Each value defined by criteria requires you to specify one or more evaluation conditions that determine a particular value or rate.

In cases where you specify many conditions, each condition is defined as a separate level and placed in priority order to produce a tree structure.

You control the criteria that you enter and the resulting tree structure. In each branch of the tree, you can have multiple evaluation conditions. If the conditions that you've set don't meet your requirements, the payroll process uses the value established for the default criteria that you set up. Each criterion and value, as well as the parent criteria definition, is stored as a calculation value definition. You can define a rate definition to retrieve a rate based on values defined by criteria.

You can also search for criteria and value records, on a value defined by criteria, to quickly select a record you want to view or update. For more information, see *Search for Values Defined by Criteria*.

Criteria and Evaluation Conditions

Within the tree structure, you create the criteria rules. For example, you can define criteria rules based on the location of an employee. You can select or enter the specific location for each criterion, such as London, from a value set or on the criteria page.

You can also define a default criterion if an employee doesn't meet any other condition. Defining a default also includes a situation in which the application hasn't captured criteria information on the employee record, such as location. If you know the criteria definitions you set up cover all the conditions for all employees, then you don't need a default criterion.

Each criterion is stored as a calculation value definition. You must enter a name for the calculation value definition that's unique within a legislative data group. With a unique name, you can identify the record while you create the values defined by criteria hierarchy through HCM Data Loader.

You must also select a value definition group for each criterion. The group enables you to manage the value definitions within your legislative data group; it doesn't impact the behavior of the criterion. Use the Retrieval Date to determine

whether the criterion uses the date earned or effective date to retrieve information. The default value is the effective date.

Once you have created a criterion, you can enter these condition details:

- **Sequence**: Define the priority of each criterion using the sequence. The application uses the sequence order to produce a tree structure, which affects processing and the value that's returned. For example, the first criteria definition has a condition of age greater than 0 years, and the next criteria definition in the sequence has the condition of age greater than 55 years. In this scenario, all employees would meet the first condition and there would be no results for the second condition. To fix this situation, you would reverse the order of the criteria definitions where the condition greater than 55 years is first in the sequence.
- **Database Item Name**: Select a database item to identify the type of criteria. For example, if your criterion is the location of an employee you could select PER_ASG_LOCATION_NAME.

  > **Note:** If you're defining values by criteria for Salary Rates, select one of the database items that are supported by HR flows such as new hire and promotion.

- **Display Name**: You have the option to enter a name for the criteria. This name doesn't need to be unique and is displayed in the value by criteria hierarchy record. If you don't enter a display name, the database item description or name gets displayed.
- **Operand**: You use operands when you're creating criteria. You can specify whether the value defined by the database item should be equal to, greater than, less than, greater than or equal to, or less than or equal to the literal value. To capture multiple values for the same criteria, use the In operand. For example, if you want to give employees that work in City 1 and City 2 the same bonus, you can create a single evaluation condition for both cities using the In operand.
- **Value Sets**: Specify a value set to provide a dynamic list of values from which you can select an entry. This option is available for input values that provide text only.
- **Literal Value**: If you specify a value set, you can select an entry from a list of values you have chosen. If you leave the Value Set field blank, you can enter any information that's appropriate for the value definition that you're creating.

Values

Create one or more value records for each criterion. Here you enter the calculation types and rates. For example, you can enter the bonus values for each location.

Each value record gets stored as a calculation value definition. You must enter a name for the calculation value definition that's unique within a legislative data group. With a unique name, you can identify the record while you create the values defined by criteria hierarchy through HCM Data Loader.

You must enter a value identifier when you define multiple value records for a criterion. This identifier enables you to define which value record should be calculated. For example, your company calculates car allowance and housing allowance rates for an employee based on their job. The job criteria details and the allowance values are captured in a Values Defined by Criteria. You can indicate which of the values captured on the Values Defined by Criteria should be calculated when processing an element in the payroll run.

If you don't enter a value identifier, the name of the calculation value definition gets displayed for the value on the hierarchy. You must select a value definition group for each value record. The group enables you to manage the value definitions within your legislative data group; it doesn't impact the behavior of the value. Use the Retrieval Date to determine whether the date earned or effective date retrieves the information of the value. The default is the effective date.

If you select a Default Calculation Type while creating the values defined by criteria, it gets displayed on each value record. Alternatively, you can enter a calculation type. You have the option to select a different calculation type for each value within the values defined by criteria depending on your business requirements.

The supported calculation types include:

- Flat Amount Times Multiplier
- Flat Calculation
- Flat Rate
- Grade Rate
- Incremental Rate
- Number
- Rate Definition
- Standard Formula 1
- Standard Formula 2

Database Items for Values Defined by Criteria

Each condition refers to a database item to identify where the value is used. It also determines the data type of the value, such as text, number, or date. Define conditions using predefined database items or the dynamically created database items when the application creates data, such as balances and elements.

You can refer to any static or dynamic database items that support these contexts:

- HR_ASSIGNMENT_ID
- HR_TERM_ID
- PAYROLL_ASSIGNMENT_ID
- PAYROLL_TERM_ID
- PAYROLL_RELATIONSHIP_ID
- PERSON_ID
- CALC_BREAKDOWN_ID
- PAYROLL_ID
- EFFECTIVE_DATE
- DATE_EARNED
- LEGISLATIVE_DATA_GROUP_ID

Database Items for Salary Rates

Perform rate calculations before information such as job and grade is submitted for the employee. While using salary rates, you can only define values by criteria that use the database items supported by HR flows such as new hire and promotion. If you refer to other types of database items, the process either returns zero or uses the default criteria.

Here's the list of database items to define values by criteria while using salary rates:

Database Item Name	Display Name
PER_ASG_ASSIGNMENT_NUMBER	Assignment Number

Database Item Name	Display Name
PER_ASG_ASSIGNMENT_ID	Assignment ID
PER_ASG_EFFECTIVE_START_DATE	Assignment Start Date
PER_PERSON_ENTERPRISE_HIRE_DATE	Hire Date
PER_ASG_JOB_ID PER_ASG_JOB_NAME	Job
PER_ASG_JOB_CODE	Job Code
PER_JOB_FAMILY_ID PER_JOB_FAMILY_NAME	Job Family
PER_ASG_BUSINESS_UNIT_ID PER_ASG_BUSINESS_UNIT_NAME	Business Unit
PER_ASG_LOCATION_ID PER_ASG_LOCATION_NAME	Location
PER_ASG_DEPARTMENT_ID PER_ASG_ORG_DEPARTMENT_NAME	Department
PER_ASG_LEGAL_ENTITY_ID	Legal Entity
PER_ASG_ORG_LEGAL_EMPLOYER_NAME	Legal Employer
PER_ASG_NORMAL_HOURS	Normal Hours
PER_ASG_EMPLOYEE_CATEGORY PER_ASG_EMPLOYMENT_CATEGORY	Assignment Category
PER_ASG_ORG_LEGAL_EMPLOYER_NAME	Legal Employer
PER_ASG_DF	Assignment Flexfield
PER_GRADES_DF	Grade Flexfield

Database Item Name	Display Name
PER_LOCATIONS_DF	Location Flexfield
PER_ASG_GRADE_CODE	Grade Code
PER_ASG_GRADE_ID PER_ASG_GRADE_NAME	Grade
PER_ASG_GRADE_LADDER_PGM_ID	Grade Ladder
PER_ASG_GRADE_STEP_ID PER_GRADE_STEP_NAME	Grade Step
PER_ASG_ESTABLISHMENT_ID	Establishment
PER_ASG_UNION_ID	Worker Union ID
PER_ASG_UNION_NAME	Worker Union Name
PER_ASG_JOB_MANAGER_LEVEL	Job Manager Level
PER_ASG_JOB_MANAGER_LEVEL_NAME	Job Manager Level Name
CMP_ASSIGNMENT_SALARY_BASIS_NAME	Salary Basis
PER_ASG_COLLECTIVE_AGREEMENT_ID	Collective Agreement
PER_ASG_BARGAINING_UNIT_CODE_NAME	Bargaining Unit Name
PER_ASG_BARGAINING_UNIT_CODE	Bargaining Unit Code
PER_ASG_ACTION_CODE	Action Code
PER_ASG_ACTION_REASON_CODE	Action Reason

Related Topics

- Calculation Types in Calculation Value Definitions
- Generate HCM Rates
- Options to Configure Rate Definitions
- Pay Bonuses at Different Rates
- Limit Pension Contributions

Examples of Managing Values Defined by Criteria

Use the Values Defined by Criteria task to calculate or retrieve values based on one or more conditions. You can use values defined by criteria in rate definitions. You can also use value by criteria definitions in any formula used for validation.

If you use a third-party payroll product and have a requirement to extract the salary rate details, use the Generate HCM Rates process to calculate rate values. The Generate HCM Rates process is primarily used to calculate derived rate values, such as those which sum multiple salary components. However, it's also used to process primary rates, as you may define rate definitions which calculate values that are different from those stored on an element entry.

> **Note:** The values calculated by the Generate HCM Rates process are stored on a rates table. You can extract this information using the HCM Extract tool to send to your third-party payroll providers.

Use these examples to understand how you can calculate values defined by criteria for these elements of payroll.

Annual Salaries

You can calculate annual salaries for employees based on their position. For example:

- If the employee is a Consultant, pay 45,000
- If the employee is a Senior Consultant, pay 55,000
- If the employee is a Principal Consultant, pay 65,000

Bonus Payments

You can chose to calculate bonus payments for employees that are weighted by their province. A more complicated scenario would be to pay bonuses based on an employee's department, years of service, and annual salary.

- To weight a bonus payment by province, you could set up criteria like this:
    - For employees working in Ontario, pay a 15 percent bonus
    - For employees working in Quebec, pay a 13 percent bonus
    - For employees working in Nunavut, pay a 9 percent bonus
    - For all other employees, pay a 5 percent bonus

- To pay a bonus based on department, years of service, and annual salary, you could set up criteria like this:
  - If an employee working in sales has less than or equal to 5 years of service and an annual salary over 45,000, pay a 2,000 bonus
  - If an employee working in sales has less than or equal to 10 years of service and an annual salary over 45,000, pay a 5,000 bonus
  - If an employee working in sales has greater than 10 years of service and an annual salary over 45,000, pay a 9,000 bonus
  - For all other employees working in sales, pay a 7 percent bonus based on their annual salary

Pension Contributions

Your pension plan may have rules that limit contributions based on an employee's annual salary. For example, in this scenario you could set up the following criteria:

- Employees making less than or equal to 25,000, limit maximum contributions to 2,500
- Employees making less than or equal to 50,000, limit maximum contributions to 7,500
- Employees making less than or equal to 100,000, limit maximum contributions to 12,500
- Employees making greater than 100,000, limit maximum contributions to 14 percent of pay

Use Values Defined by Criteria to Pay Bonuses Based on Department and Province

This example demonstrates how to create criteria to pay employee bonuses at different rates based on department and province. The departments and rates used in this example include:

- Department A, pay 10 percent
- Department B, pay 14 percent to employees in Ontario
- Department B, pay 16 percent to employees in Quebec
- All other departments and provinces, pay 5 percent

The provinces used to determine the bonus rates include:

- Ontario
- Quebec

In Quebec the general manager wants to pay a flat amount of 15,000 Canadian Dollars for all employees in Department B who make over 100,000 Canadian Dollars per year.

In this example we are using HRX_CA_REP_PROVINCE as the value set for the entry of different provinces. If you don't have an equivalent value set, you may need to create one.

This example includes these tasks:

- Create the bonus rate criteria definition
- Create department criteria
- Create province criteria for department B
- Create a calculation value definition for department A

- Create calculation value definitions for provinces
- Create calculation value definitions for default criteria definitions
- Modify evaluation conditions

How to Create the Bonus Rate Criteria Definition

1. Navigate to Payroll in My Client Groups and search and select the **Manage Values Defined by Criteria** task.
   This task is also available in the Setup and Maintenance and Compensation work areas.
2. Click **Create**.
3. Complete the fields, as shown in this table.

Field	Value
Name	Bonus Rate
Effective Start Date	1/1/15
Legislative Data Group	Select your legislative data group.

4. Select the **Create new value definition group** radio button.
5. Enter **Bonus** in the New Value Definition Group field.
6. Enter **Flat Rate** in the Default Calculation Type field.
7. Click **OK**.

How to Create the Department Criteria

1. Select the row with the Bonus Rate criteria definition.
2. Click **New**.
3. Select **Criteria** and then click **OK**.
4. For each criteria definition you create, complete the fields as shown in this table.

Field	Department A	Department B
Calculation Value Definition Name	Bonus Rate Department A	Bonus Rate Age Group 2
Value Definition Group	Bonus	Bonus
Retrieval Date	Date Earned	Date Earned
Sequence	1	2
Database Item Name	PER_PERSON_DEPARTMENT_NAME	PER_PERSON_DEPARTMENT_NAME

Field	Department A	Department B
Operand	=	
Literal Value	A	B

5. Click **OK** each time you create a new criteria definition.
6. To create a default group for the department criteria, repeat steps 1 to 3.
7. Complete the fields, as shown in this table.

Field	Value
Calculation Value Definition Name	Bonus Rate Department Group Default
Value Definition Group	Bonus
Retrieval Date	Date Earned

8. Select the **Default Criteria** check box and then click **OK**.

How to Create the Province Criteria for Department B

1. Select the row with the Department Name as B criteria definition.
2. Click **New**.
3. Select **Criteria** and then click **OK**.
4. For each criteria definition you create, complete the fields as shown in this table.

Field	Ontario	Quebec
Calculation Value Definition Name	Bonus Range Department Group B Province 1	Bonus Range Department Group B Province 2
Value Definition Group	Bonus	Bonus
Retrieval Date	Date Earned	Date Earned
Sequence	1	2
Database Item Name	PER_ASG_PROVINCE_ID	PER_ASG_PROVINCE_ID
Display Name	Province	Province

Field	Ontario	Quebec
Operand	=	=
Value Set	HRX_CA_REP_PROVINCE	HRX_CA_REP_PROVINCE
Literal Value	Ontario	Quebec

5. Click **OK** each time you create a new criteria definition.
6. To create a default group for the province criteria, repeat steps 1 to 3.
7. Complete the fields, as shown in this table.

Field	Value
Calculation Value Definition Name	Bonus Rate Department Group B Province Default Rate
Value Definition Group	Bonus
Retrieval Date	Date Earned

8. Select the **Default Criteria** check box and then click **OK**.

FAQ for Values Defined by Criteria

Does the order in which I add criteria definitions matter?

Yes, each criteria definition that you add is defined as a separate level and placed in priority order. The order produces a tree structure, which affects processing and the value that's returned.

You can change the sequence of the criteria definitions at any time to suit your business needs and fix processing problems.

Payroll Event Groups

Overview

A payroll event group defines the types of data changes monitored for features such as the retroactive recalculation of payroll, the retroactive recalculation of time cards, and the retropay for late hires.

There are three types of payroll event groups:

- Proration
- Retroactive
- Event Action

Proration

Using proration, you can calculate proportionate earnings and deduction amounts whenever payroll-relevant data changes during a payroll period.

For example, you can calculate proportionate earnings and deduction amounts if:

- A person joins or leaves an organization in the middle of a payroll period
- A person's pay rate changes during a payroll period

If you want to prorate an element, such as basic salary, assign a proration event group to the element with proration points that affect a person's salary. You can use the predefined event group, or create a new one. When you create an event group, you select the events that activate proration calculation, such as changes to:

- Hourly or annual pay rates
- Working hours
- Allowances or deductions
- Assignment changes, such as grade or position

> **Tip:** You can only select events that represent changes to element entries, calculation cards, calculation value definitions and assignments.

Retroactive

Retroactive processing ensures that your payroll run for the current period reflects any backdated payments and deductions from previous payroll periods. A retroactive event group defines the types of changes that trigger a retroactive event notification. These types of changes are Entry Changes for Retro and trigger notifications when changes are made in a prior payroll period. You can make additional events trigger the recalculation process by editing the group or creating a new event group for the element. All events trigger in real time.

Within a retroactive event group, select the events that produce notifications if a backdated change occurs. Specify the entity, update type, and attribute, as shown in the examples provided in the following table.

To disable notifications for an element, within the Manage Element UI, query the 'base' element that you no longer want to be processed by retropay and remove the specified 'Retroactive Event Group'. This prevents new events from being triggered.

Entity	Update Type	Attribute
Element Entry Value	Correction	SCREEN_ENTRY_VALUE
Element Entry	Update	EFFECTIVE_START_DATE
Element Entry	Update	EFFECTIVE_END_DATE
Element Entry	Logical Date Change	
Element Entry	Insert	
Element Entry	Delete Changes	

Event Actions

An event action links a process to the events within an event group. When an event occurs, the process is triggered based on a set of conditions defined on the event action. You can use event actions to control the submission of features, which use event groups of type action such as generate HCM Rates and time card reprocessing. Event actions control the aspects of submission such as, if the process is automatically submitted when an event occurs or when submitted through a payroll flow.

There are two event action submission types:

- Manual: The application processes the event action notifications using the ‘Process Event Action’ flow. Schedule this process to run on a regular basis to ensure your information is kept up to date such as your stored rate values. Also, add this task to your payroll cycle flow so it is submitted before you calculate payroll.
- Automatic: The application automatically submits processes such as retropay late hires, each time an event action notification is generated.

There are different types of event actions, each with its own set of submission control rules such as:

- Resubmission of time cards
- Retropay for late new hires
- Absence resubmission
- HCM Rates Recalculation
- Mexico SDI calculations

Use HCM Data Loader to create an event action.

Related Topics

- Set Up Element Proration
- How Retroactive Pay Is Calculated
- Overview of Loading Event Actions and Event Action Groups

Event Action Notifications

When an event is triggered, the application filters the applicable event groups which include that event, and generates event notifications for each event action included in those event groups.

Let's consider an example where the application triggers an event for a worker due to a change in their job. This event is included in an Event Action Group associated with the HCM Rates Recalculation event action. As a result, the application creates an event action notification for the worker, for HCM Rates Recalculation in the Awaiting Processing status.

When the rates process is run, the application determines all workers with an event action notification of HCM Rates Recalculation in the awaiting processing status and recalculates rates for these employees. Once this process is completed successfully, the notification status is updated to Completed.

You can view and manage event notifications in two ways:

- For event notifications related to retroactive payroll and proration, use the **Event Notifications** page. You can configure the events that trigger these notifications using the **Event Groups** page.
- For all other event notifications associated with event actions such as time card resubmission, retroactive payroll for late hires and generate HCM rates, use the **Event Action Notifications** page. The event action groups configure these event actions and loads them through HCM Data Loader.

In order to visualize the impact of an event and the underlying cause for an event notification, you can navigate between event notifications and events. You can view event action notifications and drill down to view the events associated with that event notification to detect the type of change, when the change occurred, and who made the change. You can use the **Event Notifications** button on the Event Action Notifications page to navigate to the Event Notifications page for the selected person. This lets you view retropay notifications for the selected person. The back arrow on the Event Notifications page returns you to Event Action Notifications page.

Alternatively, you can also view the events raised for a person on the Events page, including those events that didn't raise any event notification. You can then drill down to view the event notifications associated with an event.

The Event Action Groups page consists of the event group setup. Here you can view all the event action groups loaded through HCM Data Loader and see if any are set up to watch the type of event you're interested in.

Event Notification Status

When an event is triggered, the payroll application generates event notifications for features such as the retroactive recalculation of payroll and retropay for late hires. The Notification Status attribute supports these values for an event:

- Not Started: Notification processing hasn't yet started.
- Complete: Notification processing is complete.
- Error: Notification processing has failed.
- Event Canceled: The event has been canceled.

  Use the event notification status to review and take an appropriate action on an event.

Element Proration

Set Up Element Proration

Use proration to calculate proportionate amounts for recurring elements when payroll-relevant data changes during a payroll period.

Examples of such scenarios include a person joining the enterprise or a mid-period pay increase. Proration creates two payroll run results. The first run result is for the payroll period up to the day before the event. The second one is from the date of the event to the end of the period. When you create an element, you specify its proration event group and the calculation method.

Use proration rate conversion rules to specify a different rule than that used for periodicity. For example, you prorate based on calendar days when using work units for conversion.

To set up element proration, you do these tasks:

- Review the predefined proration event group to ensure that it includes changes you want to track. You can optionally update the event group or create a new group.
- Create an element and enable proration processing for an element.

Review the Predefined Event Group

When you create or update a recurring element, you can make it subject to proration.

1. On the Home page, click the **Event Groups** task under the My Client Groups tab.
2. Search for the predefined event group: Entry Changes for Proration.
3. Review the types of changes that automatically trigger proration for the elements associated with this event group.

   You can edit this group or create a new event group for the element, if required. For example, you might want to add changes to calculation cards or assignments.

Enable Proration Processing for an Element

To enable proration, do these steps:

1. On the Home page, click the **Elements** task under the **My Client Groups** tab, and click **Create**.
2. On the Create Element: Additional Details page, select **Yes** for the following question: Is this element subject to proration?
3. Select the predefined event group (Entry Changes for Proration) or a new group that you created.
4. Select a **Proration Units** and **Proration Rate Conversion Rule**.
5. Select a **Proration Conversion Rule** formula.

Note: If the predefined conversion rules don't meet your requirements, you can create a user-defined formula.

Related Topics

- Overview of Payroll Event Groups
- How Prorated Earnings and Deductions are Calculated
- Create Conversion Formulas for Proration

Create Conversion Formulas for Proration

The predefined proration formula GLB_EARN_PRORATION controls how the payroll calculation prorates an element entry when it encounters an event. This could happen when there's a change to an element entry value.

You can copy and edit a predefined proration formula to modify the calculation. Then, you can select the user-defined formula as the proration formula for your element.

Create a Formula

You must create a modified rate conversion before you create its related proration conversion rule.

1. Select the formula type **Payroll Run Proration**.
2. Search for and copy the predefined **Rate Conversion Proration** formula.
3. Add the suffix underscore **_PRORATE** to the name.
4. Update these formula inputs:
    - PRORATE_START_DATE (date)
    - PRORATE_END_DATE (date)
    - SOURCE_PERIODICITY (text)
    - DAYS_WORKED (number)
    - RATE_CONV_FORMULA (text)
    - HOURS_WORKED (number)
    - IN_AMOUNT (number)
    - UNIT_TYPE (text)
    - PRORATION_UNIT (text)
5. Add the formula outputs for the element input values.
6. Save, submit, and compile the formula.

Some countries or territories supply predefined proration formulas that you can use as the basis for your modified version.

Related Topics

- Set Up Element Proration
- How Prorated Earnings and Deductions are Calculated
- Periodicity Conversion

How Prorated Earnings and Deductions are Calculated

You can select from a number of different proration conversion rules to calculate standard or supplemental earnings. Select the proration conversion rule when you create an earnings or deduction element using the Manage Elements task.

You can also calculate prorated earnings based on calendar days or work schedules.

This topic covers:

- How deductions are calculated
- How prorated earnings are calculated
- Examples of earnings calculation based on calendar days
- Example of earnings calculation based on work schedule

How Deductions Are Calculated

Typically, you don't prorate deductions, such as deductions based on a percentage of earnings. You might prorate fixed rate deductions, such as voluntary deduction for a fitness center membership. In most cases, use the predefined global proration formula for deductions (GLB_DEDN_PRORATION). For this formula the proration value is the periodic value multiplied by the number of calendar days in the proration period. This figure is then divided by the number of calendar days in the payroll period.

How Prorated Earnings are Calculated

Creating a recurring earnings element automatically associates it with a predefined proration formula (GLB_EARN_PRORATION). The proration formula determines how to prorate earnings in the proration period based on the proration calculation method you select.

As a guideline the global formula doesn't prorate:

- Nonrecurring elements
- Earnings elements with a calculation rule of unit multiplied by rate, if rate and hours are entered in the element entry

Note: Some predefined legislations provide a different default proration formula and rules.

These examples show how proration calculations are performed on earnings calculations, based on:

- Calendar days
- Work schedules

Example: Earnings Calculation Based on Calendar Days

The formula calculates proration results as shown in the following table.

Proration Conversion Rule and Proration Units	Proration Calculation
Standard Rate Annualized rule Daily proration units	Calendar days in proration period multiplied by annual pay and divided by annual calendar days
Example: 1. You assign a person to a monthly payroll for a salary basis of 25,000. 2. You update the salary on 10 December, 2013 to 30,000. 3. You calculate the December monthly payroll. 4. The proration formula calculates 2 proration periods with 9 calendar days in the first proration period, and 22 in the second period.	(9 * 25000) / 365 + (22 / * 30000) / 365 = 616.44 + 1808.22 = 2424.66
Standard Rate Daily rule Daily proration units	Total pay divided by calendar days in the payroll period and multiplied by calendar days in the proration period.
Example: 1. You hire a person to a weekly payroll in the middle of the payroll period. 2. The employee works 3 calendar days and receives a location allowance of 500. 3. The proration formula calculates the employee's location allowance for the 3 days.	(500 / 7) * 3 = 214.29

Example: Earnings Calculation Based on Work Schedule

The formula calculates proration results as shown in the following table. If no working hours are defined, the proration formula checks the assignment definition for the number of working hours and frequency. If no information is found, the formula uses 40 as the number of working hours and 5 as the number of days for the work week.

Proration Conversion Rule and Proration Units	Proration Calculation
Periodic Work Schedule Rate Annualized rule Workday proration units	Work schedule days in proration period multiplied by annual pay and divided by 260 days, the default number of annual working days. A day in a work schedule is a 24 hour period.
Example: 1. You hire a person to a monthly payroll for an annual salary basis of 25,000. 2. The employee works 5 days a week Monday through Friday.	(6 * 25000) / 260 + (16 * 30000) / 260 = 576.92 + 1846.15 = 2423.07

Proration Conversion Rule and Proration Units	Proration Calculation
3. You increase the monthly salary to 30,000 effective 10 December, 2013. 4. You calculate the December monthly payroll. 5. The proration formula calculates 6 working days from 1st December to 9th December, and 16 working days from 10th December to 31st December.	
Periodic Work Schedule Rate Annualized rule Hourly proration units	Work schedule hours in proration period multiplied by the annual pay and divided by 2080, the default number of annual working hours.
Example: 1. An employee assigned to a weekly payroll receives an annual salary basis of 25,000. 2. You increase the salary to 30,000 effective 10 December, 2013. 3. The employee works 10 hours a day from 9 December to 12 December. 4. You calculate the weekly payroll for the week 8 December to 14 December. 5. The proration formula calculates 2 proration periods, with 10 working hours for the first period, and 30 for the second period.	(10 * 25000) / 2080 + (30 * 30000) / 2080 = 120.19 + 432.69 = 552.88

Related Topics

- Set Up Element Proration
- Create Conversion Formulas for Proration

Periodicity

Periodicity Conversion

Rate conversion formulas convert amounts to different periodicities for payroll calculations. These calculations use rate conversion formulas:

- Proration
- Hours multiplied by rates calculation of an element run result
- Rates based on rate definitions

Predefined Periods

These are the predefined periods for use when setting periodicity.

If these values don't meet your requirements, you can copy a predefined rate conversion formula and edit its periodicity values.

Periodicity	Valid for Payroll Periods	Number of Periods per Year
Annually	Yes	1
Bimonthly	Yes	6
Biweekly	Yes	26
Calendar Monthly	Yes	12
Daily	No	365
Hourly	No	2920 (365 days multiplied by 8 hours)
Lunar Month	Yes	13
Periodically	No	Payroll frequency determines the number of periods to use in the rate conversion.
Quarterly	Yes	4
Semiannually	Yes	2
Semimonthly	Yes	24
Workday	No	260
Weekly	Yes	52
Work Hour	No	2080 (260 days multiplied by 8 hours)

Define Periodicity

You can define periodicity in these ways:

Object	Task	Description
Elements	Elements	The Periodicity input value specifies the frequency of the element value. For example, salary element entries that hold annual salary values have an annual periodicity.
Payrolls	Payroll Definitions	**Period Type** specifies the number of payroll periods. For example, the Monthly Lunar period type includes 13 payroll periods.
Rates	Rate Definitions	Rate definition can specify the following periodicities: • Return periodicity of the rate • Periodicity of each rate contributor • Periodicity of the calculated sum of the rate contributors

Rate Conversion Formulas

Rate conversion formulas change the periodicity of an amount.

For example, the Standard Rate Annualized conversion formula can convert an annual salary amount to a weekly amount.

This table describes the predefined formulas.

Rate Conversion Rule	Description	Example
Standard Rate Annualized	Calculates the annual rate using the input periodicity and converts the amount to an output periodicity and rate. This rule uses default values, such as 2080 hours or 260 working days, to calculate the annual rate. You select the day or hourly basis during element definition.	To convert a weekly amount to a semimonthly periodicity, the formula: 1. Multiplies the weekly amount by 52. 2. Divides the result by 24.
Standard Rate Daily	Calculates the daily rate using the input periodicity and converts the amount to an output periodicity and rate. This rule uses a default value, such as 260 working days a year, to calculate the daily rate.	To convert an annual amount to daily periodicity, the formula: 1. Divides the annual amount by 365. 2. Multiplies the result by the number of days in the payroll period.
Standard Working Hours Rate Annualized	Uses the employee's standard working hours to convert the monetary value and working hours to an annual value before calculating the rate.	The employee works 40 hours a week with a monthly salary of 1000 CAD: ((1000*12)/(40.00*52) = 5.77 an hour

Rate Conversion Rule	Description	Example
Assignment Working Hours Rate Annualized	Uses the employee's working hours to convert the monetary value and working hours to an annual value before calculating the rate.	The employee works 40 hours a week, with 37.5 standard working hours a week, and a monthly salary of 1000 CAD: ((1000*12)/(37.50*52) = 6.15 an hour
Periodic Work Schedule Rate Annualized	Uses the employee's work schedule for the payroll period for daily and hourly conversions.	For an employee: • With a monthly salary of 1000 CAD • Assigned a monthly payroll The formula checks the work schedule details for the month. For a daily conversion: 1000 a month/20 days in the month = 50 **Note:** For compensation calculations where the employee isn't assigned a payroll, the rate is calculated using the weekly rate calculation. The amount is converted to an annual figure and divided by the number of days or hours in that week based on the work schedule.

The impact of the rate conversion rule is summarized below::

- Periodicity: The conversion rule for periodicity applies to Flat Amount, Hours * Rate, and Days * Rate calculation rules. You can override the periodicity used as the default for the element definition at the element entry level.
- Work Units: The Work Units conversion rule applies only to flat amount calculation rules for standard and supplemental earnings elements. The selection of which work units to use in reports and payslips determines the conversion calculation. The application creates the element input values using the default values of the rate conversion formulas.

  For example, this table illustrates how the payroll process determines the standard work units for any given pay period:

Work Units Selected	Example
Hours	2080/24 = 86.67
Days	260/24 = 10.83
None	No input values are created

- Proration: The element template includes a new question for proration units. Proration rate conversion rules replace the previous proration methods in the element template. You have greater flexibility, for example, to base proration on calendar days when using work units for conversion.

> **Note:** If the conversion rules don't meet your requirements, you can copy and edit the rules using the Fast Formulas task in the Payroll Calculation area.

Retroactive Pay

How Retroactive Pay Is Calculated

Retroactive pay is the recalculation of prior payroll results due to changes that occur after the original calculation was run. To process retroactive pay, run the Recalculate Payroll for Retroactive Changes process. This process creates retroactive element entries based on retroactive events.

You can view automatically-created retroactive events or create them manually. Only elements that are set up to include a retroactive event group can have retroactive element entries.

Examples of prior period adjustments that could trigger a retroactive event are:

- An employee receives a pay award that's backdated to a previous pay period.
- The payroll department makes a backdated correction for an error that occurred in a previous pay period.

Settings That Affect Retroactive Pay

To enable retroactive processing of an element:

1. On the Event Groups page, review the types of changes that automatically trigger a retroactive notification for the predefined event group, which is called Entry Changes for Retro. You can edit this group or create a new event group for the element, if required.
2. On the Create Element: Additional Details page, select **Yes** for the following questions:
    - Is this element subject to proration?
    - Is this element subject to retroactive changes?

    The element template creates nonrecurring retroactive elements with the same attribution of the base element with a couple of exceptions. If you selected **Process Separately** or **Pay Separately**, the template creates input values on the retroactive element with a default value of **N**. You can override these values at the following levels:

    - Element
    - Element entry
    - Element eligibility
3. Select the predefined event group or a new group that you have created.

How Retroactive Pay Is Calculated

To process retroactive pay:

1. In the Payroll Calculation area, review or create retroactive events on the Event Notifications page. You can download results to Excel to view retroactive events in a report format.
2. Submit the Recalculate Payroll for Retroactive Changes process. You can use the Submit a Process or Report task, or the process may run automatically as part of your payroll flow. This process never overwrites historical payroll data. Instead, it creates one or more retroactive entries to receive the process results.
3. Run the Calculate Payroll process.

Note: Always run the Recalculate Payroll for Retroactive Changes process immediately before you run a payroll. If you run it after the Calculate Payroll process, retroactive adjustments are held over until the next payroll period.

If you don't get a retroactive notification that you expect to get, review:

- The originating transaction causing the event
- Element setup
- Element eligibility for the person
- The retroactive event group entities and attributes that are set up to trigger retroactive events
- The proration event group entities and attributes setup that triggers proration

Taxation of Retroactive Earnings

As of release 22B, all retroactive earnings are taxed as non-periodic earnings, as per legislative guidelines. This is the case even if the base earnings are regular, or have a tax processing type of regular.

Note: This feature is only available for new elements. When processing Absence elements that reduce regular salary, both the Absence and the Regular Salary elements must be new elements.

Taxation of Retroactive Earnings After TRU Transfers

When processing a TRU transfer for the same assignment, you can tax retroactive earnings based on either the source or the target TRU. These are options available for you to define how to tax retroactive earnings following a TRU transfer:

- Date Earned is 'Y' or Blank - Retroactive earnings are taxed based on the source (or original) TRU. This is the default.
- Date Earned is 'N' - Retroactive earnings are taxed based on the target (or current) TRU.

You can process negative retroactive entries in the target (or current) TRU after a TRU transfer. These negative entries are no longer ignored in the payroll process because of the association to the source (or original) TRU. For example, in the case where a TRU transfer occurs for a single assignment, and the **TRU Rule for Retro Entries** parameter has been set to 'N', the negative retroactive entries are processed in the target (current) TRU, and employees are no longer overpaid.

To change the existing default behavior to tax retroactive earnings based on the date paid, and use the target TRU, add the Process Configuration Group parameter **TRU Rule for Retro Entries** to the process configuration group you use for the payroll run.. Use the **Payroll Process Configuration Group** task, under My Client Groups, to add the parameter and override the value, if required.

Note: This feature doesn't support multiple assignment scenarios. It only supports TRU transfers of the same assignment.

Add a Retroactive Event Notification Manually

Retroactive Events are typically created automatically when you create retroactive adjustments, such as backdated salary changes.

You can enter the retroactive event manually to generate the correct payslip, such as if payroll hasn't made the pay rate change effective last pay period for an employee being terminated effective immediately.

Create a Payroll Relationship Event

1. Select the Event Notifications task.
2. Click **Create**.
3. Use the information in this table enter information into the Create Payroll Relationship Event window.

Field	Value
Approval Status	Awaiting Processing
Payroll Relationship	The person to process
Process Date	Date when the retroactive change process is run. **Note:** This date indicates when the element change was triggered.

4. Click **Save and Close**.

Create a Retroactive Event

1. On the Event Notifications page, click the name of the person associated with the payroll relationship event you created.
2. On the Retroactive Events page, click **Create** in the Entry Details section.
3. Select the element you want to reprocess, the date the recalculate payroll runs, and a retroactive component. The element from which the change will be paid to the person is the retroactive component.
4. Repeat the previous step if you want to recalculate multiple elements for this payroll relationship.
5. Click **Submit**.

FAQs for Pay Calculation Components

Why can't I edit the secondary classifications for a wage basis rule?

You probably defined the rule for the primary classification to include all secondary classifications in the wage basis.

Edit the primary classification row, and deselect the **Select all secondary classifications** option. You can then edit individual secondary classification rows, and select **Use in wage basis** only for those classifications to be considered in the wage basis.

Related Topics

Why can't I create payroll components on the Calculation Information page?

You can view existing components on this page, but you can't create new components. Use the Elements task to create new elements. Creating some elements also creates associated calculation components. These elements can include involuntary deductions, pensions, and absence payment elements.

Can I delete or edit a cost component group mapping?

Yes. You can delete or edit a cost component group mapping only if it is not referenced in a cost profile.

Can I delete or edit the mapping of a cost component to an analysis group?

Yes. You can delete or edit the mapping of a cost component to an analysis group, even if the cost component or the cost component group is referenced in a cost profile.

13 Set Up Elements

Payroll Elements

Overview

Elements can represent:

- Earnings, such as salary, wages, and bonuses
- Compensation, such as employee stock purchase and insurance plans
- Absences from work
- Tangible items distributed to persons, such as tools, uniforms, mobile phones, or computers
- Statutory deductions, such as taxes, voluntary deductions, contributions to charities or savings plans, and involuntary deductions, such as court orders and pretax deductions
- Employer taxes and other employer liabilities

Some elements are predefined. You can also create other elements to match your requirements. Each element belongs to a primary classification, according to its purpose, which determines the template you use to create it. The template creates the elements, and the associated items required for payroll processing

You can enter up to 50 characters for the element name. If you enter more than 50 characters, the application automatically shortens the name.

Predefined Elements

The Oracle Fusion Global Payroll for Canada provides a suite of predefined element classifications for you to use when defining earnings and deduction elements.

They typically include deductions for tax and wage attachments. You can't make any changes to these predefined elements. However, you must create eligibility records for them.

Element Creation

You can create as many earnings and deduction elements as you require using the Elements task.

You select the element classification and category that determine the template of questions. You answer the questions to specify the details of the element you want to create. The items that the template generates can include multiple elements, input values, formulas, balances, and other items.

> **Note:** The template you use to create elements also depends on the extension you have selected on the Features by Country or Territory page. For example, if the country extension is set to Payroll, you use a template that generates all the items required for payroll processing. If the country extension is set to Human Resources or None, you use a basic template that generates the elements only.

You can configure any of the generated items to match your specific business requirements. For example, you can add input values, edit the formulas, or add a status processing rule to use a different formula for certain assignment statuses. You must also create element eligibility records for the elements.

This table explains the purpose of the items that you use when creating element.

Item	Purpose
Input Values	Defines the entry values available on each entry of this element, such as hours worked or amount.
Element Eligibility Records	Defines the eligibility criteria a worker's employment record must meet to be eligible for the element. For example you can use grade, payroll, salary basis, or organization as eligibility criteria.
Status Processing Rules	Identifies the formula the payroll run uses to process the element, and how to handle the formula results.
Related Formulas and Related Elements	Identifies additional elements and formulas created by the template for payroll processing.
Related Balances	Identifies the balances created by the element template for this element.

Maintain Elements

After you create and use an element, you're limited on the updates you can make to it. This ensures the integrity of the element for retroactive processing and the balances of the input values.

You can't remove existing input values or add new ones if you have created entries for the element. To add an input value to an element before you create any element entries, set your effective date to the element's start date.

You can make these changes to an element that has been previously processed:

- Change a required input value to be optional.
- Alter the sequence in which input values appear on the Element Entries page.
- Change the input value validation rules for minimum, maximum, lookup, or formula.
- Change your specification of which input values create database items.
- Change the reporting name. However, the database items created for the element continue to use the original name.
- Delete elements that are in **In Progress** status.

For existing elements you can now make updates to these attributes in the correction mode if the element meets the specified criteria rules for the attribute.

- Allow multiple entries in same period
- Latest Entry Date
- Output Currency
- Process once per period

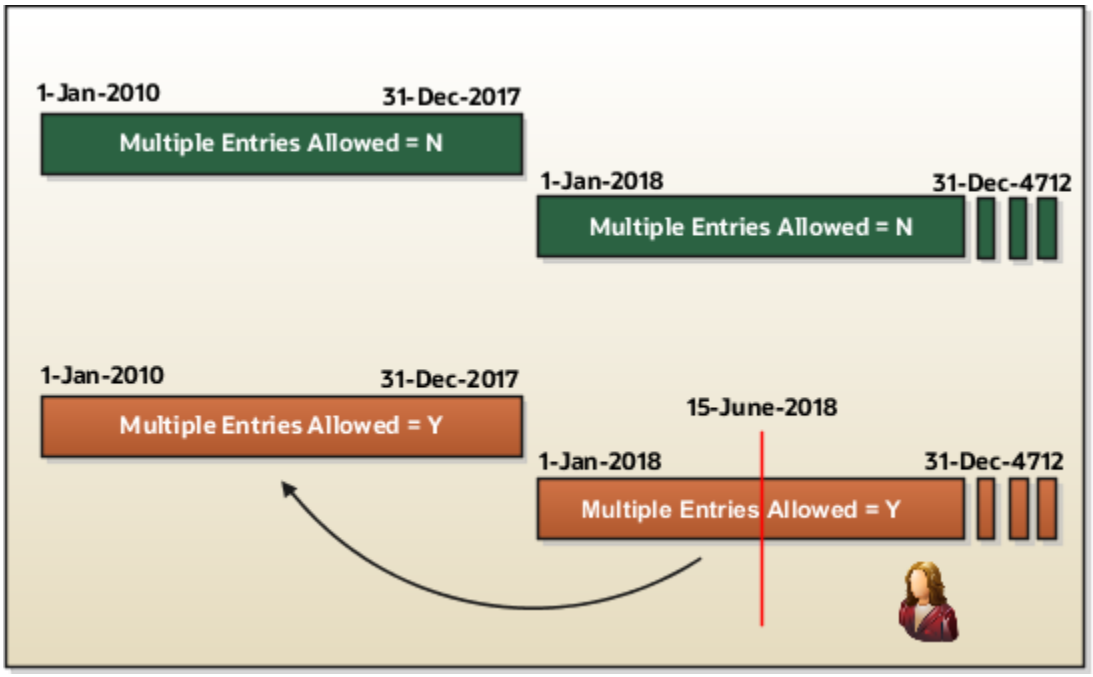
Let's assume you correct the Allow multiple entries in same period attribute, all date effective records would get updated with the change.

Example:

An element has these two date-effective records:

- 01-Jan-2010 to 31-Dec-2017
- 01-Jan-2018 to 31-Dec-4712

And for that element, the value of **Allow multiple entries in same period** option is **N**. Effective 15-Jun-2018, you change the value of this option from **N** to **Y**. Then, as the figure shows, the application updates both the records with the value **Y**.



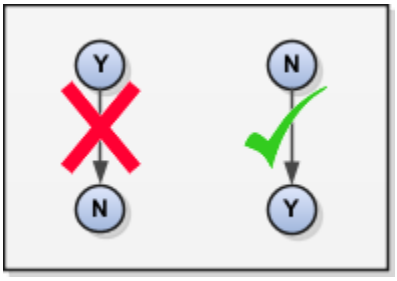
Allow Multiple Entries

Edit the **Allow multiple entries in same period** option from **N** to **Y** even if element entries and run results exist for that element.

However, you can't edit this option in these scenarios:

- If the element is target of **Stop Entry** rules.
- If the value of the **Standard Link** option is **Y**.
- If the element is a target of indirect formula result rules.

As this figure shows, you can't change the value from **Y** to **N**. This is because such an action invalidates the existing entries and possibly could impact retroactive processing.



Termination Rule

You can update the termination rule of an element even if element entries or run results exists for that element. Such updates don't affect the existing element entries, but impact only new element entries.

In the **Latest Entry Date** field, you can change a lower element definition date to a higher element definition date. However, you can't change a higher element definition date to a lower element definition date.

This change isn't applicable to time definitions that you define.

Output Currency

The output currency for an element is defaulted based on the currency defined for the legislative data group. You can update the Output Currency field to a required currency under these circumstances.

- If it's a newly created element
- There isn't element eligibility for that element
- No balances exist for this element

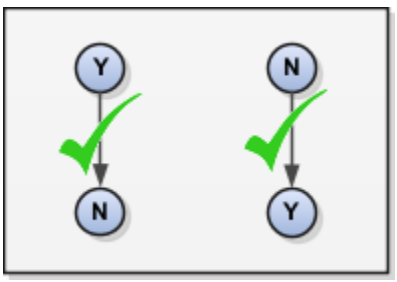
> **Note:** If you calculate statutory deductions such as tax, you should not change the element output currency. All predefined tax calculations are performed using the currency of the legislative data group. All reports including payslips are also generated using the currency of the legislative data group.

Your company may have a requirement to change the element output currency for payroll calculations that don't include legislative taxes. For example, a British national who works in the USA might be paid on an expat payroll which isn't subject to US taxes.

Process Once Per Period

Use the **Process once per period** option to check if the element entry has been processed or not.

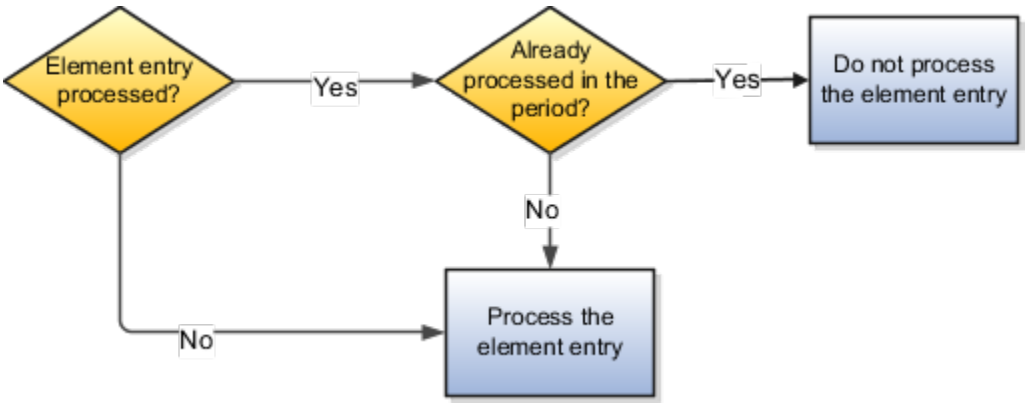
As this figure shows, modify this field both from **Y** to **N** and **N** to **Y** even if element entries or run results exists.



If the value of the option is **Y** and the element entry is already processed in the period, then the application doesn't process it again.

If the value of the option is **N**, then the application processes the element entry even if it's already processed in the run.

As this figure shows, depending upon the value of the option, the application processes the element entry.



Search for Elements Using the Element Code

You can now search and view elements using the element code.

- Use the **Add Fields** option in the **Advanced Search** region to search the element using element code.
- Select **View** > **Columns** > **Element Code** to view the element code attribute with other element details.
- The element code attribute is displayed under the **Element Name** attribute in the **Element Summary** page.

Delete In Progress Status Elements

On the Element Search page, you can delete those elements that are in the **In Progress** status. However, you can delete only those elements for which the corresponding ESS element creation process has failed .

Related Topics

- Payroll Element Input Values

Element Classifications

Primary Element Classifications

Primary element classifications are defined by Oracle Fusion to meet legislative requirements, and are supplied to users with the product.

Primary Classifications

Elements are grouped into primary classifications, such as Earnings and Voluntary Deductions. In a human resources department, you can use the primary classifications to identify groups of elements for information and analysis purposes. In a payroll department, the classifications control processing, including the sequence in which elements are processed and the balances they feed. Oracle Fusion provides primary classifications and some balances, mainly to

reflect tax legislation. They are designed to meet the legislative requirements of your country, so you can't change or delete them. You can create additional balances to be fed by any of the primary classifications.

For example, in a human resources department, you can use them to identify groups of elements for information and analysis purposes.

Secondary Element Classifications

You can define secondary classifications to feed your own user defined balances.

Secondary classifications are subsets of the primary classifications. In some legislations, secondary classifications are predefined. As with primary classifications, you can't remove or change any predefined secondary classifications, and you can't disable any of the predefined balance feeds created for them.

How Element Classification Components Work Together

When you create an element, you select a primary classification, such as Involuntary Deductions, and optionally a secondary classification, such as Maintenance and Support. The classifications, which vary by country or territory, control the element template questions you answer to define the element.

Primary Classifications

Primary classifications meet the legislative requirements of your country or territory, so you can't change them.

In a payroll department, the classifications control processing, including the sequence in which elements are processed and the balances they feed.

Secondary Classifications

Secondary classifications are subsets of the primary classifications. Use them to manage wage basis rules for deductions and taxes. You can't remove or change any predefined secondary classifications. However, you can create your own secondary classifications. When you create a secondary classification, you must associate a reporting type to it.

Frequency Rules

If frequency rules are enabled for a primary classification, you can use them on an element if you don't want to process it each period. For example, you can set frequency rules to process element entries on the first and third weekly payroll periods of each month. The default frequency rule is to process each period.

Element Classifications

A suite of predefined element classifications is available for you to use when defining earnings and deduction elements.

Primary classifications are defined to meet legislative requirements and hence you can't change them. Secondary classifications are subsets of the primary classifications and are used to manage wage basis rules for deductions and taxes. Subclassifications aren't applicable for Canada.

All the predefined secondary classifications for Canada have an associated Reporting Type for end-of-year reporting for earnings and deductions. The values for the reporting types are:

- T4/RL1
- T4A/RL1
- T4A/RL2

When you create a secondary classification, it's mandatory for you to associate a Reporting Type to it. This association is done manually and you have to select any of the values given above.

Primary and Secondary Classifications

This table lists the primary classifications and the associated secondary classifications that are applicable for Canada.

Primary Classifications	Secondary Classifications	Reporting Type
Balance Initialization	N/A	N/A
Information	Pension Adjustments	T4/RL1
Nonpayroll Payments	Expense Reimbursements	T4/RL1
Absence Accruals	N/A	T4/RL1
Absences	Sickness	T4/RL1
Absences	Maternity	T4/RL1
Absences	Vacation	T4/RL1
Absences	Other	T4/RL1
Standard Earnings	Regular	T4/RL1
Standard Earnings	Overtime	T4/RL1
Standard Earnings	Shift	T4/RL1
Standard Earnings	Statutory Holiday	T4/RL1
Supplemental Earnings	Bonus	T4/RL1
Supplemental Earnings	Commission	T4/RL1

Primary Classifications	Secondary Classifications	Reporting Type
Supplemental Earnings	Pension and Annuities	T4A/RL2
Supplemental Earnings	Awards and Prizes	T4/RL1
Supplemental Earnings	Benefit Plan Credits	T4/RL1
Supplemental Earnings	Pay in Lieu of Notice	T4/RL1
Supplemental Earnings	Jury Duty Pay	T4/RL1
Supplemental Earnings	Sick Pay	T4/RL1
Supplemental Earnings	Vacation Pay	T4/RL1
Supplemental Earnings	Retiring Allowance Taxable	T4/RL1
Supplemental Earnings	Retiring Allowance Nontaxable	T4/RL1
Taxable Benefits	Group Term Life Insurance	T4/RL1
Taxable Benefits	Personal Use of Company Car	T4/RL1
Taxable Benefits	Gifts and Awards	T4/RL1
Taxable Benefits	Boarding and Lodging	T4/RL1
Taxable Benefits	Private Health Services Plan	T4/RL1
Taxable Benefits	Registered Retirement Savings Plan	T4/RL1
Taxable Benefits	Provincial Medical	T4/RL1
Taxable Benefits	Registered Retirement Savings Plan Non-insurable	T4/RL1
Employee Tax Deductions	Employee Tax Deductions	N/A
Employer Taxes	N/A	N/A
Pretax Deductions	Registered Retirement Plan	T4/RL1

Primary Classifications	Secondary Classifications	Reporting Type
Pretax Deductions	Union Dues	T4/RL1
Involuntary Deductions	Tax Levy	T4/RL1
Involuntary Deductions	Maintenance and Support	T4/RL1
Involuntary Deductions	Garnishments	T4/RL1
Voluntary Deductions	Benefits	T4/RL1
Voluntary Deductions	Employer Reimbursements	T4/RL1
Voluntary Deductions	Loans	T4/RL1
Voluntary Deductions	Registered Retirement Plan	T4/RL1
Voluntary Deductions	Professional Fees	T4/RL1
Voluntary Deductions	Union Dues	T4/RL1
Employer Liabilities	N/A	N/A

How Element Processing Sequence is Determined

You can set a predefined sequence in which a payroll run processes elements. An element's primary classification defines a default processing priority for the element in payroll runs. Lower priority numbers process first.

Most classifications also have a priority range. You can override the default processing priority. To set the priority, edit the element on the Element Summary page. Setting a specific priority establishes the order in which the element processes with respect to other elements in the classification.

Sometimes you must prioritize the processing of certain element entries for an individual person. For example, you may need to determine the precise order in which deductions taken for wage attachments process for a person. In this case, enter a subpriority number for element entries.

Reporting Types

Overview

Reporting Types are associated with secondary classifications and determine the year end form for reporting earnings and deductions.

The values for the reporting types are:

- T4/RL1
- T4A/RL1
- T4A/ RL2
- None

All the predefined secondary classifications for Canada have an associated reporting type already linked to the classification. When you create a secondary classification, it's mandatory for you to associate a reporting type to it. This association is done manually and you have to choose any of these values.

Related Topics

Associate a Reporting Type to a Secondary Classification

A secondary classification for Canada must have an associated reporting type for year end reporting of earnings and deductions. All predefined secondary classifications have an associated reporting type.

When you create a secondary classification, it's mandatory for you to associate a reporting type to the classification.

Use the **Element Classifications** task under **Payroll** in **My Client Groups** to create a secondary classification and associate a reporting type to the newly created secondary classification. To create a secondary classification:

1. Select *Element Classifications* task.
2. On the Element Classifications page, select a Canadian *Legislative Data Group* and click *Search*. A list of the existing primary classifications are listed in the Search Results.
3. Click the row of the primary classification to which you want to add a secondary classification.
4. Click *Edit*.
5. Click *Create* under the Secondary Classifications section to open the Create Secondary Classification window
6. Enter the required information and select an appropriate *Year End Form* from the list of values.
7. Click *OK*.
8. Click *Save*.

The new statutory reporting type context is automatically populated with the secondary classification just created.

Related Topics

Element Employment Level

Employment Level Options for Payroll Elements

Your enterprise uses an employment model. When you create elements, you select the employment level at which to attach the element. If you select a level below payroll relationship, each assignment record can have separate element entries.

Payroll Relationship Level

This level is the highest level for accumulating balances. Every payroll run processes payroll relationship elements.

Here are the typical elements to define at payroll relationship level:

- Tax deductions
- Pension
- Child support
- Medical care
- Union dues
- Benefits activity rate calculations, such as employee contributions and flex credits

Assignment Level

Use this lowest level for elements that require different entries for different assignments, or when the element applies only to specific assignments.

Here are the typical elements to define at assignment level:

- Assignment salary
- Regular hours
- Overtime
- Sales bonus
- Profit-sharing bonus

Element Input Values

Overview

An element's input values define the entry values available on each entry of an element. Each input value has a unit of measure, such as money or date.

Input values can include validations and conditions to control the data entry of theelement entry assigned to a person. For example, an earnings element may have an input value for hours worked, whichis required and has a unit of measure of number.

When you create an element, some input values are created automatically depending on your country extension and the element classification. You can create additional input values for any element, as needed.

> **Note:** You can't add an input value to the element if any payroll process were run after the element was created. This behavior holds good irrespective of whether the payroll run included this element or not. To add input values, rollback all processes that were ran after the element creation date.

Input Value Options

For each input value created, you can modify these attributes:

Field Value	What You Do
Display Sequence	Enter a number to control the display order of the entry value on element entries.
Special Purpose	Select how the input value is to be used. For example, you can indicate that it holds a percentage value, a rate, or third-party payee details. This value assists with processing the input value based on what type of information it holds.
Unit of Measure	Select the value that describes the type of value the entry value can hold, such as number or character.
Displayed	Select to display the input value on the element entry.
Allow User Entry	Select to enter values on element entries.
Required	Select to make the input value a required entry value on the element entry. If you select **Required**, you must also select **Displayed** and **Allow User Entry**.
Create a Database Item	Select if you want to make the values available for formulas or HCM extract.
Rate Formula	Select a rate calculation formula, for example to return a value from a user-defined table. This option only applies to the Primary input value for elements associated with rate definitions that have the Element method and a contributor type of Amount. If you select a formula, you must not select **Allow User Entry**.
Default	Enter a value that appears as the default value for this entry value in element entries, if needed.
Apply default at runtime	Select to apply the default value when you run the payroll process, rather than when you create the element entry. This selection ensures you use the latest value on the date of the payroll run. You can manually override the default value on the element entry.
Minimum	Enter a minimum value, if needed.
Maximum	Enter a maximum value, if needed.

Field Value	What You Do
Validation Formula	Enter a formula that validates the entry value entered on element entries, if needed.
Validation Source	Use with the other input value options to select the valid validation method, such as lookups or formulas.
Lookup Type	Specify a lookup type to provide a list of values for an entry value. This option is available for input values of type Character only.
Warning or Error	Use when you're validating the input value or entering a minimum or maximum value. It specifies whether a warning or an error displays if the entry fails the validation condition or doesn't meet the minimum or maximum value indicated.
Reference	Use to associate a balance context with the run result. For example, you can associate a context, such as jurisdiction, with an element. Create an input value for jurisdiction and select the jurisdiction context in the **Reference** field. Then the run result value of the input value works as a context value when updating the balance. If you select a reference, then the lookup type and validation source values should be automatically set to the reference context. You must provide the **Reference** field first for the validation source value to be automatically populated.
Value Set	Specify a value set to provide a dynamic list of values for an entry value. This option is available for input values of type Character only.

CAUTION: Once an element is processed, you can't update certain input value attributes, such as unit of measure. This restriction ensures that you can't change attributes that would invalidate prior results.

This table provides examples of the allowable formats, depending on the unit of measure (UOM) specified for the entry value.

Unit of Measure	Sample Entry Value	Display in Application
Character	C	Complete
Integer	12345	12,345
Number	12345.6789 0.123456789	12,345.6789 0.123456789
Day	123 0.123	123 0.123
Money	12345	12345.00

Unit of Measure	Sample Entry Value	Display in Application
	-12345.67	<12345.67>
Hours in decimal format, 1 place	12345	12345.0
Hours in decimal format, 2 places	12345	12345.00
Hours in decimal format, 3 places	12345	12345.000
Hours expressed as a numeric value	12345	12345
Hours and minutes expressed as numeric values	12345	12345:00
Hours, minutes, and seconds expressed as numeric values	12345	12345:00:00
Date	2016-06-21	21-Jun-2016
Time	13:05	1:05 PM

Note: Display values can be derived from the meaning attribute of the view object. For example if you enter **C** as a value for the Character UOM, it displays as **Complete**. Conversion to display formats is based on the profile option value and locale.

Related Topics

- How Element Setup Affects Entries and Their Values
- Payroll Elements
- Use a Value Set for an Element Input Value
- Create and Edit Profile Options

Use a Value Set for an Element Input Value

You can use value sets to provide a dynamic list of values for an element input value. Use a value set for lists containing values that already exist in tables.

For example, person name or number, legislative data group, or payroll statutoryunit. The benefit of this approach is that you don't have to create and maintain a lookup type. Using value sets helpsmaintain consistency and accuracy in your data.

Note: The only type of value set supported for element input values is the table-based value set. Oracle Fusion Global Payroll doesn't support other value set types, such as Independent or Format Only.

Use the **Manage Value Sets** task in the Setup and Maintenance work area.

Create value sets using the **Manage Value Sets** task. You select the Table validation type to define a value set that filters values from an existing table using a SQL statement.

This table provides the required values that you enter when you create a value set for use on the Manage Elements page.

Field	Value
Module	Global Payroll
Validation Type	Table
Value Data Type	Character

Note: To enable the Value Set field on the Manage Elements page you must select Character as the Unit of Measure for the input value.

To improve the performance of your value set queries, use these contexts to filter the value set records:

- PayrollRelationshipId
- PersonId
- PayrollTermId
- PayrollAssignmentId
- LegDataGroupId
- LegCode
- SysEffectiveDate

WHERE Clause example: `pay_pay_relationships_dn.payroll_relationship_id = :{PARAMETER.PayrollRelationshipId}`

Note: If you use these contexts in your value set SQL, make sure the WHERE clause parameter name matches the context name.

In this example, an element contains input values for legislative data group and element name. The list of values for element name is dependent on the selected legislative data group. As part of setup, you can select a default legislative data group for the element, or for a specific element eligibility record.

In summary, here are the steps:

- Create a value set to return a list of all legislative data groups
- Create a value set that returns all elements in the legislative data group
- Add the value set codes to the Manage Elements page

Create a Value Set to Return a List of all Legislative Data Groups

1. From the Setup and Maintenance work area, search for and select the **Manage Value Sets** task.
2. Click **Create**.
3. Complete the fields, as shown in this table.

Field	Value
Value Set Code	LDG_VS
Description	Retrieve Legislative Data Groups
Module	Global Payroll
Validation Type	Table
Value Data Type	Character
FROM Clause	`PER_LEGISLATIVE_DATA_GROUPS_vl`
Value Column Name	`NAME`
ID Column Name	`LEGISLATIVE_DATA_GROUP_ID`
WHERE Clause	`business_group_id=202` **Tip:** To avoid failure of the value set, use IDs instead of names in case the display name changes in the future.
ORDER BY Clause	`NAME`

4. Click **Save**.

Create a Value Set that Returns all Elements in the Legislative Data Group

1. On the **Manage Value Sets** page, click **Create**.

2. Complete the fields, as shown in this table.

Field	Value
Value Set Code	ELE_VS
Description	Elements
Module	Global Payroll
Validation Type	Table
Value Data Type	Character
FROM Clause	`pay_element_types_f`
Value Column Name	`base_element_name`
ID Column Name	`element_type_id`
WHERE Clause	`LEGISLATIVE_DATA_GROUP_id=:{PARAMETER.LDG_IP}` **Note:** LDG_IP is the input value name.
ORDER BY Clause	`base_element_name`

3. Click **Save**.

Add the Value Set Codes to the Elements Page

1. On the Home page, click the **Elements** quick action under the **My Clients Groups** tab.
2. Create a new element to meet your requirements and then click **Submit**.
3. When the Element Summary page displays, click the **Input Values** folder.
4. Click **Actions** and then select **Create Input Values**.
5. Enter the name LDG_IP and the display sequence for the input value.
6. Select **Character** as the Unit of Measure.
7. Enter **LDG_VS** in the Value Set field.
8. Go to the Default field and select a legislative data group.
9. Click **Save**.
10. Click **Submit**.
11. Repeat these steps to create an element input value using the ELE_VS value set.

You can override the default values on the Element Eligibility - Input Values page for a specific eligibility record.

Element Entries

Enable Automatic, Multiple, or Additional Element Entries Options

You can select one of these options for an element to define how you can update its element entries:

- Automatic entry
- Allow multiple entries in same period

Automatic Entry

When you create an element, you can select **Yes** for the question: Should every person eligible for the element automatically receive it? This setting selects the **Automatic entry** option by default for all eligibility records you create for that element. However, you can override the selection for any specific eligibility record before you save it.

When you select this option, saving the eligibility record initiates a payroll flow to create element entries for all eligible workers. To monitor this flow, you do these tasks:

- View the progress of the process in the **Automatic Entry Status** field. If the status shows that an error occurred, you can save the eligibility record again to resubmit the flow.
- Monitor the progress of the Generate Automatic Element Entries flow on the Processes and Reports tab.

Any updates to the employment records of eligible workers, including hires and terminations, automatically update, create, or end the element entries, as appropriate.

Tip: If you select the **Automatic entry** option, you can't also select **Allow multiple entries** in same period.

Allow Multiple Entries in Same Period

This option enables you to give a person more than one entry of the element in the same pay period. Let's consider the scenario when you enter overtime hours on a weekly basis for a person that's paid monthly. In this case, you might need to enter five entries on an overtime element in each period.

If you're creating a net-to-gross element, you must select **Allow multiple entries in same period**.

Note: An element with the Automatic entry option selected can't allow multiple entries in the same period.

Related Topics

- Default Values for Element Entries
- Element Entry Methods
- Status of Flow Tasks

Options to Determine an Element's Latest Entry Date

An element's latest entry date determines how element entries process after a person is terminated or transferred to another payroll.

The options include: final close, last standard earning date, and last standard process date. These are the predefined options. You can create others that fit your business needs.

Final Close

Use this option to let the element stay open for entries beyond a person's last day worked. For example, you may want the element to stay open to pay a severance package.

Last Standard Earning Date

Use this option to stop all element entries on the date the person leaves. You can use this option for recurring entries, such as salary.

> **Tip:** If you select the last standard earning date option, also select proration for the element. This ensures that the element is processed up to this date, even if it isn't active at the end of a payroll period.

Last Standard Process Date

The application sets the value for the last standard process date to the last day of the pay period in which the person is terminated. However, you can set it to a later period when you terminate the person. The application stops all element entries on the last standard process date or on the date the assignment ends, if it's earlier.

Related Topics

- How Element Setup Affects Entries and Their Values
- Payroll Elements

Default Values for Element Entries

Specify default values for element entries using the Elements task. Your element setup controls when the default value affects element entries.

You can apply the default value in any of these scenarios

- When you create an element entry
- At run time
- When you use a formula to define default values on one or more entry values

You can do these actions:

- Set a default value for an input value, or select a defaulting formula for the element.
- Override the default value or formula for a specific group of employees that an element eligibility record identifies.

- Override the default value for specific employees on their element entries.

Define Default Values at Element Entry Creation

When you create or edit input values, you can specify a default value. If you don't select the **Apply default at runtime** option, subsequent updates to the default value have no effect on existing element entries. Users can override or change the default value at any time.

Define Default Values at Runtime

To use this method, enter the default value and select the **Apply default at runtime** option for the input value. If the element entry value is left blank, the payroll process uses the current default value from the element or element eligibility record. If you enter a value, the manual entry overrides the default value and updates to the default value don't affect that entry. If you want to restore the default value, clear the entry.

Use a Formula to Provide Default Values

You can create a formula of type element input validation to provide default values for one or more entry values. Select this formula in the Defaulting Formula field for an element or element eligibility record.

Here's the order of precedence:

1. A formula at the element eligibility level overrides a formula at the element level.
2. If you enter a default value for the input value and select a defaulting formula, the formula overrides the default value.

Related Topics

- How Element Setup Affects Entries and Their Values

Element Input Validation Formula Type

You can use an element input validation formula to validate one or more element entry values. You can also use this formula type to provide a default value for an element entry value.

Additionally, you can calculate entry values based onthe user's entries in other entry values.

You select the formula on the Element Summary page in these fields:

Page Section	Field	Purpose	When Does the Formula Run?
Element Details or Element Eligibility	Validation Formula	Validates one or more entry values for the element based on entries in other entry values.	When you save the element entry.
Element Details or Element Eligibility	Calculation Formula	Provides values for one or more entry values using a calculation formula that takes input from these entry values or other entry values.	When you save the element entry.
Element Details or Element Eligibility	Defaulting Formula	Provides default values for one or more entry values.	When you create the element entry.

Page Section	Field	Purpose	When Does the Formula Run?
Input Value	Validation Formula	Validates one entry value independent of others.	When you enter a value.

Note: A formula at the element eligibility level always overrides an equivalent formula at the element level.

Here are the contexts that are available to all formulas of this type:

- LEGISLATIVE_DATA_GROUP_ID
- DATE_EARNED
- EFFECTIVE_DATE

These contexts are available to formulas only at element or element eligibility level; they aren't available to validation formulas at the input value level:

- PERSON_ID
- PAYROLL_RELATIONSHIP_ID
- PAYROLL_TERM_ID
- PAYROLL_ASSIGNMENT_ID
- HR_RELATIONSHIP_ID
- HR_TERM_ID
- HR_ASSIGNMENT_ID

Here are the input variables that are available to formulas of this type.

Formula Usage	Input Variables	Comments
Validation formula at input value level	`entry_value`	Passes the value to be validated. You must declare the input variable as the appropriate type for the element input value.
Validation formula at element or element eligibility level	Any element input value name that corresponds to an entry value.	Replace spaces in the input value name with underscores in the input variable name. It doesn't matter whether you use uppercase or lowercase for the name.
Defaulting formula	None	Use database items or other logic instead.
Calculation formula	Any element input value name of an entry value.	Replace spaces with underscores. You need not provide all of the available entry values.

Here are the return values that are available to formulas of this type.

Formula Usage	Return Values	Comments
Validation formula at any level.	`formula_status`	Must be either 'S' (success) or 'E' (error). Required.
Validation formula at any level.	`formula_message`	The text of the message is passed to the user if the validation fails. Optional.
Defaulting formula	Any element input value name of an entry value.	A return value overrides any default value that's provided on the input value in the element or element eligibility record.
Calculation formula	Any element input value name of an entry value.	You don't need to return all of the available entry values. You can return the entry values that were passed as input variables or other entry values.

Here are a few sample formula that you can use:

- Validation formula at input value level
- Validation formula at element or element eligibility level
- Calculation formula at element or element eligibility level
- Defaulting formula at element or element eligibility level

Validation formula at input value level:

```
inputs are entry_value(date)
if(entry_value = '01-APR-2008' (date)) then
(
formula_message = 'Valid date'
formula_status = 'S'
)
else(formula_message = 'Invalid date'
formula_status = 'E'
)
return formula_message, formula_status
```

Validation formula at element or element eligibility level:

```
inputs are hours_worked, rate, earning_date(date), comment(text)
if(hours_worked > 80) then
(
formula_message = 'You are within the working limit.
'formula_status = 'S'
)
else
(
formula_message = 'You have worked too many hours.
'formula_status = 'E'
)
return formula_message, formula_status
```

Calculation formula at element or element eligibility level:

```
inputs are hours_worked, rate, comment(text)
if(hours_worked > 80) then
(
rate = rate * 1.2
```

```
comment = 'Your rate has been increased'
)
return rate, comment
```

Defaulting formula at element or element eligibility level:

```
if(CATEGORY = 'S') then
(
rate = 20
)
else
(
rate = 30
)
rate_code = 'B'
return rate, rate_code
```

Formula Result Rules for Elements

An element's status processing rule identifies the formula that the payroll run uses to process the element for workers with a specified assignment status. For each status processing rule, formula result rules determine what happens to each result that the formula returns.

Status Processing Rules

An element can have one status processing rule for all assignment statuses, or a different rule for each status. For example, you could have two rules for a Wages element: Standard Wages and Paid Training Leave.

Formula Result Rules

Formulas return formula results, such as the amount to be paid, or a message. Results can update the current element entry or another element entry with a lower processing priority.

This table explains the available result rules.

Results Rule	What's Its Use
Direct Result	The element's run result, or a direct result updating one of the element's input values.
Indirect Result	An entry to a nonrecurring element that has a lower processing priority. The target element must be at the same employment level as the source element.
Message	A message issued by the formula 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*. There are three severity levels for a message rule: • Error - Causes the run to roll back all processing for the employment record. • Warning - Doesn't affect payroll processing but warns you of a possible problem. • Information - Doesn't affect payroll processing.
Order Indirect	Updates the subpriority of the element you select in the Target Element Name field.

Results Rule	What's Its Use
Stop	Uses the Date Earned of the payroll run to stop the processing of a recurring entry. A stop rule can be based upon reaching a specified accumulator, such as a balance owed of zero. The date upon which the total owed is reached appears on the Element Entries page as Settlement Date. The entries aren't actually end dated but stopped from future processing. This rule supports retroactive processes which impact the total owed balance. You should define the target element with Allow Multiple Entries selected. This option enables you to allocate a new entry once the value of an existing entry has reached zero. For example, once an employee has repaid a loan you can add a new loan entry for the employee. If you add a new stop entry for the same element type, use balance contexts to differentiate between the owed balances. **Note:** Let's assume you don't select Allow Multiple Entries and you add a second loan after the first loan has been stopped by a payroll run. In this case, end date the first loan before creating the second loan.
Target Indirect	An entry to a nonrecurring element that has a lower processing priority. Here, the target element is defined at a different employment level than the element being processed. For example, you could use a Target Indirect rule to update the input value of an assignment-level element from the processing of a payroll relationship element.

Element Eligibility

Overview

Use element eligibility to determine which people are eligible for an element. To determine eligibility, you select the criteria that people must receive entries of the element.

In these examples, you restrict who can receive an element entry:

- Your enterprise provides company cars only to people in the sales or customer support departments. You create two eligibility records, and use the Department field to specify the eligibility criteria. Select Sales Department for one record and Customer Support for the second record.
- Your enterprise offers a production bonus to people who work full-time in production and are on the weekly payroll. You create one eligibility record and select Full-time regular in the Employment Category field, Production in the Department field, and Weekly in the Payroll field.

Eligibility Criteria

You can define element eligibility using these criteria.

Level	Available Criteria
Payroll Relationship	Payroll Statutory Unit Relationship Type

Level	Available Criteria
Items Assignment	Legal Employer Department in which the person works Job, for example, associate professor or secretary Grade Employment Category People Group Legal Employer Department, same as in Items Job, same as in Items Grade Employment Category People Group: To set up logical entity specific people group, on the Create Element Eligibility page, select the required values in these options: • Legal Employer • People Group If you don't select a legal entity as a criteria, then the application looks for the people group associated at the enterprise level. By default, the enterprise level people group is available. **Note:** You set up all the people groups that are appropriate for your enterprise. For example, you could decide to group people by company within a multi-company enterprise, and by union membership. Location of person's office Position, which is a class of job performed in a particular organization, for example, associate professor of chemistry, or finance department secretary. Payroll All payrolls eligible **Note:** You're advised to define eligibility rules based on the payroll criteria for all assignment elements such as salary. Select the 'All Payroll Eligible' option if your company doesn't have eligibility rules based on an employee's payroll. The 'All Payroll Eligible' option ensures all employees who are assigned to a payroll will be eligible for the element. Bargaining Unit Collective Agreement Union Member

Level	Available Criteria

Tip: You must define element eligibility for every element, including predefined elements. You are advised to define eligibility rules based on the payroll criteria for all assignment level elements. It is also common practice for payroll customers to define costing rules on the element eligibility record. Additional eligibility rules can be defined for compensation and benefit elements using eligibility profiles.

Multiple Rules of Eligibility

You can define more than one eligibility record for each element, but there must be no overlap between them.

For example, you can create one record for the combination of grade A and the job of accountant. However, you can't create one record for grade A and a second for the job of accountant. These rules would imply that an accountant on grade A is eligible for the same element twice.

If you have more than one element eligibility record, you can enter different default values and costing information for each eligibility group.

Related Topics

- Maintain Element Eligibility

Maintain Element Eligibility

After saving an element eligibility record, you can only make certain changes. You can't update the eligibility criteria.

This table summarizes the actions you can take.

Action	What's The Result
Change the input value default values and validation	These changes affect all new entries, and updates to existing entries. Changes to runtime defaults affect existing entries too.
Delete the element eligibility record	The application automatically ends all existing recurring entries when you end the element's eligibility. **Note:** You can't delete the element eligibility record if any nonrecurring entries exist at the date you want to end the record. You must delete existing entries before you end the element's eligibility.

Related Topics

- Payroll Element Eligibility

Add Eligibility Rules for Predefined Elements

If the country extension on the Manage Features by Country or Territory page is set to Payroll or Payroll Interface, you must add element eligibility records for predefined statutory deduction elements before you hire any workers.

Here's how you can search for the predefined elements:

1. Go to the **Elements** task.
2. Click **Go to Task**.
3. Search for these predefined elements:

Country or Territory	Predefined Element
US, Canada, Mexico	US Taxation, CA Taxation, MX Taxation
Australia, India, Singapore	Statutory Deductions
Kuwait, Saudi Arabia, United Arab Emirates, Bahrain, Qatar and Oman	Social Insurance Gratuity GOSI
China	Aggregation Information
UK	Tax and NI Pensions Automatic Enrollment
Netherlands	Tax and Social Insurance Calculations
France	French Payroll Processing

Note: There are no predefined elements that require eligibility rules for Germany, Ireland, Switzerland, or Hong Kong.

Here's how you can add eligibility rules:

1. Click the element name to open the Element Summary page.
2. Enter a date in the Effective As-of Date field.

   Use the start date of the element, which is 1/1/1901.
3. Enter a name for the eligibility rule and click **Submit**. Since you haven't selected any eligibility criteria, all employees are eligible for the element.
4. Click **Done**.

Earnings Elements

Options for Creating Payroll Earnings Elements

Use the element template to create and configure earnings elements and their associated objects. The template prompts you for information that's used to create the necessary payroll objects. You can also edit the objects created by the element template.

You first create an element and then update it so that it's available for all payrolls.

To create elements, use the Elements task from the Payroll area in My Client Groups on the Home page.

Primary classifications control processing, the priority in which elements are processed, and the balances they feed. They are designed to meet legislative requirements and you can't change them. Here are the predefined primary classifications you can choose for Canada:

- Standard
- Supplemental
- Taxable Benefits
- Nonpayroll Payments

Consider these some components when creating an earnings element for a Canadian payroll.

Tax Withholding Method

The applicable tax withholding options to consider are:

- Regular - Applicable for all types of earnings; it's the default for taxable benefits and standard earnings.
- Nonperiodic - Applicable for supplemental earnings or taxable benefits; it's the default for supplemental earnings.
- Lump sum - Applicable for supplemental earnings only. Limit taxes such as Canada Pension Plan or Quebec Pension Plan and Employment Insurance or Quebec Parental Insurance Plan aren't deducted when this option is selected for the element.

Note: The tax withholding method question doesn't appear for standard earnings.

Commission Earnings

This question is displayed only for supplemental earnings where the tax withholding is set to regular or nonperiodic, and it defines the element as commission earnings. The tax formula doesn't use the commission information unless it's entered on the tax card.

Record of Employment

Employment Insurance (EI) hours are required for Record of Employment (ROE) processing. If the earnings aren't insurable, as determined by the wage basis rules, the answers to the below mentioned two Record of Employment questions have no impact on the earnings.

Note: The two questions given below are independent of each other.

- *EI Hours*

  If the hours or earnings associated with the element aren't insurable, it should not be included in the ROE. If the hours associated with the element are insurable, it should be indicated under the Record of Employment section of the template. The hours will only get included on the ROE if the answer to the following question is *Yes*.

  - Are there insurable hours associated with this element?
    - Yes
    - No

- *Insurable Earnings Allocation*

  The insurable earnings for an element must be allocated to a pay period based on the date it's earned or the date when it's paid. If an entry isn't made to the following question, it defaults to allocating the earnings based upon the date earned.

  - If this element is insurable, how are the earnings allocated?
    - Date Earned
    - Date paid

  This question is displayed for all primary classifications of earnings except Nonpayroll Payments. The Wage Basis Rules decide whether the earnings are insurable or not.

Earnings Elements Processing

The processing of the earnings is controlled by these factors:

- Earnings Processing
- Proration
- Net-to-Gross Processing

Earnings Processing

The answer you provide to this question determines how the earning is processed. The options you can choose are:

- Process and pay with other earnings - The payroll process processes the earnings in the regular run.
- Process separately, but pay with other earnings - Payroll run calculates and taxes the earnings through a separate payroll action, but it's paid with the other earnings. They appear as single entry in the Statement of Earnings and Payslip. Use this setting for earnings that require special tax rules, such as bonuses.
- Process separately and pay separately - Each earning is processed in a separate payroll action. They are paid separately from other earnings and appear as separate entries in the Statement of Earnings and Payslip.

Proration

Proration calculates proportionate amounts for recurring elements when payroll-relevant data changes during a payroll period, such as a person joining the enterprise or a mid-period pay increase. Proration creates two payroll run results: one for the payroll period up to the day before the event, and one from the date of the event to the end of the period.

When you create an element, you specify its proration event group and the calculation method. The options you can choose are:

- Calendar Days and Fixed Rate
- Calendar Days and Variable Rate
- Working Days and Fixed Rate
- Working Hours and Fixed Rate

As a guideline you must not prorate:

- Nonrecurring elements
- Earnings elements with a calculation rule of unit multiplied by rate, if rate and hours are entered in the element entry

Net-to-Gross Processing

When defining earnings of Standard or Supplemental types, the template provides a question that enables net-to-gross processing. When you create an earnings element, you can indicate that it pays a specified net amount. Use this feature, if you must pay a person a guaranteed take-home pay (net) per payroll period, or a bonus of a specified net amount.

Retroactive Pay

Retroactive pay is when an employee receives an adjustment in the current pay period, but the adjustment must have been effected in a previous payroll period. A recalculation is then required.

If you enable retroactive processing for an element, the retroactive pay event is associated with it and retroactive pay elements are automatically generated. When you enable retroactive processing, it:

- Rolls back the affected payroll runs.
- Recalculates them to find the changes.
- Adjust changes in the current payroll.

Create a Regular Earnings Element

This example demonstrates how to use the element template and create a regular earnings element for Canada. Use the Elements task from Payroll in My Client Groups to create the element.

Let's look at the tasks required to create an earnings element:

1. Create the earnings element
2. Create the eligibility record for the element

How to Create the Earnings Element

To create an earnings element:

1. Search and select the **Elements** task.
2. Click *Create.*

3. Complete these fields, as shown in this table.

Field	Value
Legislative Data Group	Select an appropriate LDG.
Primary Classification	Standard Earnings
Secondary Classification	Regular

4. Click *Continue*.
5. On the Basic Information page, complete the fields, as shown in this table:

Field	Value
Name	Enter a name, example: Standard Earnings1
Reporting Name	Enter the name that you want to display on reports for this deduction payroll element.
Effective Date	Enter an early date so that the payroll element is available for use immediately.
Input Currency	Canadian Dollar
Should every person eligible for the element automatically receive it?	No
What is the earliest entry date for this element?	First Standard Earning Date
What is the latest entry date for this element?	Last Standard Earning Date An element's latest entry date determines how element entries process after a person is terminated or transferred to another payroll, prior to a pay period end date. If you select this date, then you need to enable proration so the calculation will be correct if a person leaves.
At which employment level should this element be attached?	Assignment **Note:** Assignments are associated to jurisdictions, which determine the required tax calculations.

Field	Value
Does the element recur each payroll period, or does it require explicit entry?	Recurring
Process the element only once in each payroll period?	Yes
Can a person have more than one entry of the element in a payroll period?	No
Process and pay element separately or with other earnings elements?	Process separately, but pay with other earnings Payroll run calculates and taxes the earnings through a separate payroll action, but it's paid with the other earnings. They appear as single entry in the Statement of Earnings and Payslip.

6. Click *Next*. On the Additional Details page, respond to the questions, as shown in this table.

Field	Value
What is the calculation rule?	Flat Amount.
Is this element subject to proration?	Yes
What is the proration method	Working Hours and Fixed Rate
Is this element subject to retroactive changes?	No
Use this element to calculate a gross amount from a specified net amount?	No
Processing Stop when the Total is reached?	Yes
If this element is insurable, how are the earnings allocated?	Date Earned
Are there insurable hours associated with this element?	Yes

Field	Value
	A Record of Employment is issued to terminated employees who have received insurable earnings and who have worked insurable hours.

7. Click *Next* twice. Verify that the information shown on the Create Element: Review page is correct.
8. Click *Submit.*

How to Create an Eligibility Record

On the Element Summary page, update the newly created element details.

1. In the Element Overview section, select *Element Eligibility.*
2. Select *Actions*, and then *Create Element Eligibility*.
3. On the Element Eligibility name field, enter a name for the eligibility record.
4. In the Eligibility Criteria section, select any criteria if you want to restrict who can pay this deduction. Or else, select *All payrolls eligible*.
5. Click *Submit.*
   All the associated balances, feeds, input values, formulas, and related elements required for payroll processing are created automatically.

Related Topics

- Element Classifications for Canada

Elements to Report Pension Adjustments

Create an Information Element

This example demonstrates how to use the element template to create a Canadian Information element for reporting year-end pension adjustments.

Complete these tasks to create an Information element to report year-end pension adjustments:

1. Create the Information element.
2. Create an input value for the Pay Value and the Registration Number.
3. Create an Eligibility Record for the base element.

> **Note:** Before you create elements, ensure that your Product License is set to Payroll. You can verify this by using the Manage Features by Country or Territory task in the Setup and Maintenance area. Setting the Payroll License to Payroll automatically creates the Province input value which is required for processing payroll for Canada.

How to Create the Information Element

To create the Information element:

1. Search and select the **Elements** task under **Payroll** in **My Client Groups** on the Home page.
2. Click **Create**.

3. Complete the fields as shown in this table.

Field	Value
Legislative Data Group	Select a Canadian LDG.
Primary Classification	Information
Secondary Classification	Pension Adjustment

When you select the primary classification the associated category name is automatically displayed.

4. Click **Continue**.
5. On the Basic Details page, complete the fields, as shown in this table.

Field	Value
Name	Enter a name, example, Pension Adjustment1.
Reporting Name	Enter the name that you want to display on reports for this element.
Effective Date	Enter an early date so that the element is available for use immediately.
Input Currency	Canadian Dollar
Should every person eligible for the element automatically receive it?	No
What is the earliest entry date for this element?	First Standard Earning Date
What is the latest entry date for this element?	Last Standard Earning Date If you select this date, then you must enable proration so that the calculation is correct if a person leaves prior to a pay period end date.
At which employment level should this element be attached?	Assignment Level
Does this element recur each payroll period, or does it require explicit entry?	Recurring

Field	Value
Can a person have more than one entry of this element in a payroll period?	No

6. Click **Next** . Verify that the information shown on the Create Element: Review page is correct.
7. Click **Submit**.

How to Add the Pay Value and Registration Number

To add the pay value and registration number input values to the element:

1. In the Element Overview section, select the **Input Values** folder.
2. Select **Actions-Create Input Values** in the Element Overview pane.
3. Enter these details to create the Pay Value input value for the element.

Field	Value
Name	Enter the name, Pay Value.
Display Sequence	Enter an appropriate value.
Unit of Measure	Select Money.
Displayed	Select the check box.
Allow User Entry	Select the check box.
Create a Database Item	Select the check box.

4. Click **Save**.
5. In the Element Overview section, select **Input Values** folder.

   You may have to select another folder and then select the Input Values folder, to trigger the action.
6. Select **Actions-Create Input Values** in the Element Overview pane.
7. Enter these details to create the Registration Number input value for the element.

Field	Value
Name	Enter the name, Registration Number.
Display Sequence	Enter an appropriate value.

Field	Value
Unit of Measure	Select Character.
Displayed	Select the check box.
Allow User Entry	Select the check box.
Create a Database Item	Select the check box.
Reference	Select Statutory Reporting Code.
Default Value	Enter the default Registration Number.

8. Click **Save**.

How to Create an Eligibility Record for the Base Element

Information elements do not have a results element and therefore create the eligibility record for the base element. To create an eligibility record

1. In the Element Overview section, select the **Element Eligibility** folder.
2. Select **Actions-Create Element Eligibility**.
3. In the Element Eligibility name field, enter a name for the eligibility record.
4. In the Eligibility Criteria section, select a criterion that determines the eligibility for this element.
5. Click **Submit**, then **Done**.

Create an Employer Liability Element

This example demonstrates how you can use the element template and create an Employer Liability element. Use this element for reporting pension adjustments in Box 52 of the T4 slip as well as the associated registration number in Box 50.

Complete these tasks to create an Employer Liability element for Canada.

1. Create a user-defined secondary classification of Employer Liability.

   > **Note:** Creating a secondary classification isn't required, but it helps identify what the element represents.

2. Create the Employer Liability element.
3. Create an eligibility record for the base element.
4. Add the Registration Number input value to the **RESULTS** element.
5. Create an eligibility record for the **RESULTS** element.

How to Create a User-Defined Secondary Classification of Employer Liability

To create a user-defined secondary classification:

1. Search and select the **Element Classifications** task under **Payroll** in **My Client Groups** on the Home page.
2. Select a **Canadian LDG** and click **Search**.
3. Select **Employer Liabilities** from the list of primary classifications.
4. Select **Edit**.
5. In the Secondary Classifications section, select **Actions-Create**.
6. Enter these details in the Create Secondary Classification window.

Field	Value
Name	Enter an appropriate name for the user-defined secondary classification, example, Employer Liabilities.
Description	Enter the description of the secondary classification you're creating.
Start Date	Enter the start date of the classification.

7. Click **OK**.
8. Click **Save**.
9. Click **Submit**.

How to Create the Employer Liability Element

To create the Employer Liability element:

1. Search and select the **Elements** task under **Payroll** in **My Client Groups** on the Home page.
2. Click **Create**.
3. Complete the fields as shown in this table.

Field	Value
Legislative Data Group	Select a Canadian LDG.
Primary Classification	Select Employer Liabilities from the list of primary classifications.
Secondary Classification	Select the user-defined secondary classification created in the previous task.

When you select the primary classification the associated category name is automatically displayed.

4. Click **Continue**.
5. On the Basic Details page, enter these details.

Field	Value
Name	Enter a name, example, Pension.

Field	Value
Reporting Name	Enter the name that you want to display on reports for this element.
Effective Date	Enter an early date so that the element is available for use immediately.
Input Currency	Canadian Dollar
Should every person eligible for the element automatically receive it?	No
What is the earliest entry date for this element?	First Standard Earning Date
What is the latest entry date for this element?	Last Standard Earning Date
At which employment level should this element be attached?	Assignment Level
Does this element recur each payroll period, or does it require explicit entry?	Recurring
Process the element only once in each payroll period?	Yes
Process the element only once in each payroll period?	No

6. Click **Next**. On the Additional Details page, respond to the questions, as shown in this table.

Question	Answer
What is the calculation rule?	Fixed amount deduction
Is this element subject to proration?	No
Is this element subject to retroactive changes?	No

Question	Answer
Processing Stop when the Total is reached?	No

7. Click **Next**. Verify that the information shown on the Create Element: Review page is correct.
8. Click **Submit**.

How to Create an Eligibility Record for the Base Element

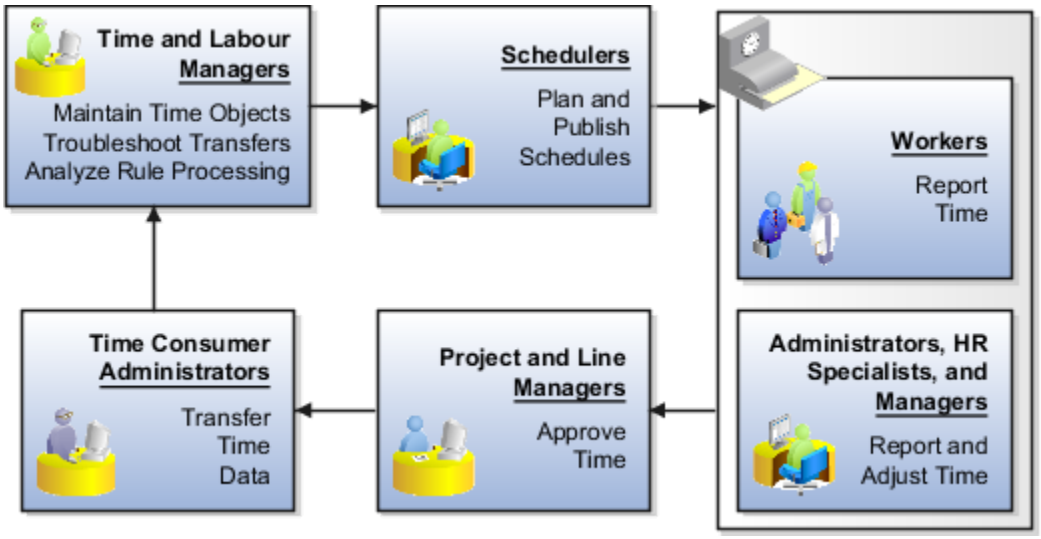
To create the eligibility record:

1. In the Element Overview section, select **Element Eligibility**.
2. In the Element Eligibility Name field, enter a name for the eligibility record.
3. In the Eligibility Criteria section, select a criterion that determines the eligibility for this element.
4. Click **Save**.

Time and Labour Elements

Use Time and Labour

Ongoing business process activities for time and labour include reporting, approving, and transferring time, as well as maintaining time card configuration and analyzing processing details. This figure summarizes these ongoing activities, which are described in the following sections.



Plan and Publish Schedules

Schedulers plan and publish weekly team schedules based on the work schedules of team members, including approved absences and public holidays. They can optionally create and edit **Time shifts**, which only Scheduling can

use, or create and edit **HR shifts**. Schedulers manage schedules and shifts using tasks in the Time Management work area.

Report Time

Employees report time in the Time work area on a calendar or using the **Manage Time Cards** task. HR specialists and any user with the **Time and Labour Manager** role can report or adjust employee time in the Time Management work area.

Approve Time Cards

Line managers approve payroll time data and project managers approve project costing time data. They make their approvals using the **Pending Notifications** icon on the global header or the Worklists work area.

Transfer Time

Time and labour managers troubleshoot time transfers initiated by time consumer administrators. They can review incomplete transfer processes and resolve time entry transfer failures in the Time Management work area.

Analyze Time

Time and labour managers analyze the processing details of time formulas, rules, and rule sets, and make necessary configuration adjustments. They do the analysis and adjustments using tasks in the Time Management work area.

Maintain Time and Labour Configurations

After the initial implementation, time and labour managers maintain these objects:

- Time layouts
- Validation, calculation, allocation, save, and submission rules
- Group memberships
- Setup and device profile assignments

They do this maintenance mostly using tasks in the Time Management work area. Certain tasks, such as **Manage HCM Groups**, are in the Setup and Maintenance work area, Workforce Deployment offering, Time and Labour functional area.

See the Implementing Time and Labour guide for information about maintaining your setup configurations.

Related Topics

Integrate Payroll and Time and Labour

Validate, approve, and transfer reported time to payroll for payment by integrating Oracle Payroll with Oracle Fusion Time and Labour. To successfully integrate these applications, complete these payroll setup tasks documented in detail in the guide Oracle Global Human Resources Cloud Implementing Global Payroll:

1. Create time card elements and eligibility to store payroll time types from the time card and transfer time to payroll or a third-party application for processing. Use the **Elements** task in the Payroll area.
2. Create rate definitions to show default and payroll calculated rates on time cards and receive overrides from time card entries. Use the **Rate Definitions** task.. For values by criteria rate definitions, first create the value definitions using the **Values Defined by Criteria** task.

3. Create the relevant calculation value definitions to link elements and rate definitions. Use the **Calculation Value Definitions** task in the Payroll area.

   Employees report time in the Time work area on a calendar or using the **Time Cards** task. HR specialists and any user with the **Time and Labour Manager** role can report or adjust employee time in the Time Management work area.
4. Once the time card entries are approved, use the Load Time Card Batches task to transfer time card entries to payroll from Oracle Fusion Time and Labour. The payroll application validates the time card entries to confirm that the worker isn't terminated and is eligible for the element.

   Once the time card entries are transferred to payroll, they appear as time card calculation components and are used to process the time card in payroll. Element entries are created for each time entry. The hours are captured on the time card as time unit in the calculation values.
5. Process payroll and view the time card balances on the Statement of Earnings. You can make corrections if required and reprocess the payroll and run relevant reports as required.

For more details, refer these documents on the Oracle Help Center:

- Implementing Time and Labor
- Using Time and Labor

Create a Time Card Element

Create an element with the category of Time Card for use in the Time and Labour application to record time card entries.

Once the time card element is created and eligibility is defined, it's available in the time and labor application for entry when creating a time card.

The time card category is available for these primary classifications:

- Standard Earnings
- Supplemental Earnings
- Taxable Benefits
- Nonpayroll Payments

The following defaults are applied when time card elements are created:

- At the payroll relationship level
- Nonrecurring element
- Allow for multiple entries in the same period
- Process once per period
- Support proration
- Support retroactive payments

How to Create the Time Card Element

To create an element for use in the Time and Labour application:

1. Navigate to the Payroll area under My Client Groups on the Home page.

2. Search and select **Elements** task.
3. Click **Actions-Create**.
4. Complete the fields as shown in this table.

Field	Value
Legislative Data Group	Select a Canadian LDG.
Primary Classification	Select a classification. For example, Standard Earnings
Secondary Classification	Select a classification. For example, Overtime
Category	Time Card

5. Click **Continue**.
6. On the Basic Details page, complete the fields, as shown in this table.

Field	Value
Name	Enter a name, example, Overtime Adjustment1.
Reporting Name	Enter the name that you want to display on reports for this element.
Effective Date	Enter an early date so that the element is available for use immediately.
Input Currency	Canadian Dollar
What is the earliest entry date for this element?	First Standard Earning Date
What is the latest entry date for this element?	Last Standard Earning Date

7. Click **Next**. On the Additional Details page, respond to the questions, as shown in this table.

Field	Value
What are the calculation units for reporting?	Select the calculation units. For example, Hours
Work Units Conversion Rule	Select the conversion rule. For example,Standard Rate Annualized

Field	Value
Does this element have a default rate definition?	Select No or Yes If Yes, select an appropriate rate name.
Rate Name	Select an appropriate rate name. For example, for an expense reimbursement element for mileage, you can configure the element to reimburse the employee for a certain amount per mile.
If this element is insurable, how are the earnings allocated?	Select Date earned or Date paid
Are there insurable hours associated with this element?	Select No or Yes. A Record of Employment is issued to terminated employees who have received insurable earnings and who have worked insurable hours.

8. Click **Next** . Verify that the information shown on the Create Element: Review page is correct.
9. Click **Submit**.
10. In the Element Overview section, select the **Element Eligibility** folder.
11. Select **Actions-Create Element Eligibility**.
12. In the Element Eligibility name field, enter a name for the eligibility record.
13. In the Eligibility Criteria section, select a criterion that determines the eligibility for this element.
14. Click **Submit**, then **Done**.

Note: You must create the eligibility for the base and results elements, or you get an error when attempting to attach the element to a time card.

Process Time Entries in Payroll

Most time card applications and providers apply validation rules when employees submit their time cards.

Typically, you import time entries to payroll by submitting the Load Time Card Batches process. The process validates that the persons in the batch are eligible for the time card elements, and rejects records for terminated employees.

Aspects of working with time card entries include:

- Validating time card entries
- Resolving transfer errors
- Viewing time card entries
- Viewing costing overrides

- Correcting time card entries

Validating Time Card Entries

You use the Load Time Card Batches process to transfer time card entries to payroll from Oracle Fusion Time and Labor or a third-party time provider. The payroll application validates the time card entries to confirm that the employee isn't terminated and is eligible for the element.

Resolving Import Errors

Resolve the underlying problem for the error in the Time and Labor application, and then import the corrected entry. Don't manually correct errors in payroll.

For example, if you use Oracle Fusion Time and Labor, you can take the following steps:

1. The Payroll Manager rolls back individual records or the entire transfer process in payroll.
2. The Time and Labor administrator corrects the cause of the error, and resets the status of the corrected time cards to Submitted. The administrator routes the time card for approval.
3. The next time the payroll manager imports the time cards using the Load Time Card Batches process, the process retrieves the corrected time card entries.

If you use a third-party time provider, you can roll back the Load Time Card Batches process. After resolving the transfer error with the time provider, you resubmit the Load Time Card Batches process.

You can continue to import corrected time card entries until the payroll calculation starts for the payroll period that includes the entries. Corrections submitted after that time are processed as a retroactive change in the next payroll period.

Viewing Time Card Entries

Submitting the Load Time Card Batches process creates or updates a time calculation card for each person included in the batch. Use the **Calculation Cards** task to view time card entries. There's only one time calculation card for each payroll relationship. The card includes time entries for multiple assignments for the same payroll relationship. It displays the employee's time entries for the effective-as-of-date specified on the search. The time that's transferred on Calculation Card captures these values. For more information about the values, refer Time Element Value Definitions.

> **Note:** You can use HCM Experience Design Studio to configure the Time fields on the Calculation Entries page. You can hide or display specific fields, and make specific fields optional or mandatory. You can configure the following fields on the Calculation Entries - Time region:
>
> - Time Entries - Detail: **Rate Name**, **Rate Value**, **Factor**, and **Periodicity**

Viewing Costing Overrides

Some of the time attributes associated with element entries, such as costing overrides, aren't stored on the calculation card. Use the **Element Entries** task to view these entries. The **Costing** tab on **Element Entries** page displays the costing overrides for the effective date used for your search. Costing entry on the time card is at the element entry level, which overrides costing at every level except the priority account.

Based on the primary and secondary classifications you select, the element template may generate indirect elements for calculation. In such scenarios, the element eligibility record of the Results indirect element defines costing. Submitting the Load Time Card Batches process displays costing for imported time entries on the calculation element. If no indirect elements exist, the Load Time Card Batches process displays costing for imported time entries on the base element.

For example, the employee might select a cost center on the time card to reflect where the employee worked overtime. When the payroll calculation process derives the account number for the overtime element, it uses the cost center from the time card. You can view the costing override on the person's calculation card. After you submit the payroll run, you can view the costing results on the **Person Process Results** page.

Correcting Time Card Entries

Any updates and corrections must occur in the application used to report time. You can continue to import new and updated time entries to payroll until you calculate the payroll for the period that includes the time entries.

If you import a late time card after the payroll is run for that payroll period, you can still process that time entry. Use one of the methods shown in this table.

Method	Action
Pay the time card entries in the next payroll period as retroactive pay	Submit the Recalculate Payroll for Retroactive Changes process. The process creates retroactive element entries for each element that has a retroactive change. If the imported time card entry includes a rate change, the element's formula recalculates the amount.
Process QuickPay	1. Roll back the records processed for the employees from the payroll run. 2. Submit the Calculate QuickPay process.
Process employees in a separate payroll run	1. Roll back the records processed for the employees from the payroll run. 2. Create a payroll relationship group that includes these employees and process a payroll run for the time card entries.

Related Topics

- Create Time Card Elements for Time Entries
- Import Time Card Entries to Payroll
- Recalculate Payroll for Retroactive Changes
- Time Element Value Definitions

Voluntary and Pretax Deductions

Voluntary Deductions

Voluntary deductions are deductions that an employee chooses to pay through their salary instead of making the payments directly.

The deductible amount is either a fixed amount or a percent of the total earnings during a payroll run. Only certain earnings are taken into account when working out how much money is available to make voluntary deduction payments.

The secondary classification determines how the deduction is calculated. The secondary classifications defined for Voluntary deductions for Canada are:

- Benefits

- Employer Reimbursements
- Loans
- Registered Pension Plan (RPP) or Registered Retirement Savings Plan (RRSP)
- Professional Fees
- Union Dues

For the secondary classification of RPP, it's necessary to capture the seven-digit RPP or Deferred Profit Sharing Plan (DPSP) registration number that appears on the year end forms.

Voluntary Deductions Loan Processing

If an employee has more than one loan, use the **Deduction Reference** option to define a unique reference for each loan, . You can now maintain voluntary deduction balances for each voluntary deduction. The application automatically creates the input value called "Deduction Reference" for voluntary deduction elements when you enable arrears in the element entry template.

When you create a voluntary element specify a **Deduction Reference** code for each element entry that has arrears and you enable the total owed options.

The application creates a Deduction Reference input value when either or both of these conditions apply:

1. You select either option for the arrears question.
    - Don't take partial deduction, place all in arrears.
    - Take a partial deduction, place remaining in arrears.
2. You select 'Yes' for the total owed question

The application uses this reference number to maintain deduction accruals and arrears. Enter the reference number while creating an element entry, such as the loan account number given by the bank or a financial institution when a loan is disbursed.

Note: This feature isn't available for existing voluntary elements. It's available only for new elements.

Get Reference Code Formula

Use the Get Reference Code Formula formula to generate a unique reference number using a database sequence for each element entry. You can link the formula to the Deduction Reference input value for the newly created elements, when you don't have a reference number provided by a respective authority such as a Loan Reference Number provided by banks. For example, if an employee is contributing an amount to two different unions without receiving a reference number. But, you have a requirement to capture the arrears separately for each union. You can then use the delivered fast formula Get Reference Code from Database Sequence which generates a unique reference number for each union element entry.

The starting value returned by this formula is 100 and increments by 1 for each new element entry.

You can also write your own fast formula to create a reference number, such as using the Payroll Relationship Number of the employee. Using the same reference number across entries of the same element will combine the balances.

Pretax Deductions

Pretax deductions are deductions made from the gross income, thus reducing the total taxable income of the employee and also reducing the tax withheld.

The secondary classification determines how the deduction is calculated. The secondary classifications defined for pretax deductions for Canada are:

- Registered Pension Plan (RPP) or or Registered Retirement Savings Plan (RRSP)
- Union Dues

For the secondary classification of RPP, you must capture the seven-digit RPP or Deferred Profit Sharing Plan (DPSP) registration number that appears on the year end forms.

Wage basis rules determine how pretax deductions reduce gross wages. A reduction in gross wages results in a reduction in the amount of taxable income, thereby allowing a reduction of some taxes and involuntary deductions.

The application captures the balance of the pretax deduction for the pay period, as well as the year-to-date balance for the employee contribution.

When there are insufficient earnings to pay a pretax deduction and to pay all taxes, the pretax deduction must be reduced. When creating a Pretax Deductions element, you specify whether the payroll run takes nothing or a partial amount in case it can't take the full deduction. You also choose whether or not to hold the arrears in a balance so that the payroll run can try to deduct this amount in a subsequent payroll period. The arrears are held at the Payroll Relationship level.

Related Topics

Options for Creating Pretax and Voluntary Deduction Elements

Elements are created using the predefined element templates.

The primary purpose of the element template is to provide an intuitive user interface so that you can easily create element types and their associated objects such as balances, formulas, links, and so on that are necessary for payroll processing.

Use the Elements task from the Payroll area to create Pretax or Voluntary deduction elements. Here are a few factors you must consider when creating Pretax or Voluntary deduction elements for Canada.

Latest Entry Date

An element's latest entry date determines how element entries process after a person is terminated or transferred to another payroll. Select the last standard earning date option, and also select proration for the element. This ensures that the element is processed up to this date, even if it isn't active at the end of a payroll period.

Employment Level

Select Payroll Relationship Level, so as to hold the arrears in a balance so that the payroll run can deduct the deduction amount in a subsequent payroll period. The arrears are held at the Payroll Relationship level. This level is the highest level for accumulating balances and pension and union dues are generally defined at this level.

Arrears or Partial Deduction

When there are insufficient earnings for a deduction and to pay all taxes, the deduction amount must be reduced. Specify whether the payroll run takes nothing or a partial amount in case it can't take the full deduction. These are the options:

- Don't take a partial deduction or create arrears: This is the default answer.
- Don't take partial deduction, place all in arrears: An arrears amount is created and it's deducted in subsequent payrolls.
- Take a partial deduction, but don't create arrears.
- Take a partial deduction, place remaining in arrears.

Proration

Typically, you don't prorate deductions, especially deductions based on a percentage of earnings.

Retroactive Processing

Retroactive pay is when an employee receives an adjustment in the current pay period, but the adjustment was first incurred in a previous payroll period. A recalculation is required, and this is accomplished through the Recalculate Payroll for Retroactive Changes process.

When you create the element, specify that it's subject to retroactive changes. Select the predefined retroactive event group for the element, or create your own. When an element is subject to retroactive changes, all components for the retroactive element are created automatically.

Registration Number

When creating a deduction element belonging to the primary classification of Pretax and Voluntary Deductions, provide the seven-digit Deferred Profit Sharing Plan (DPSP) or the Registered Pension Plan (RPP) number. This registration number appears on year-end forms and is used to report these components:

- RPP is a trust established by a company to provide pension benefits to employees. Employee and employer contributions to a registered pension plan are tax deductible.
- DPSP is an employer-sponsored profit sharing plan that's registered with the Canada Revenue Agency (CRA).

Pension Deductions of Registered Retirement Savings Plan

Registered Pension Plan (RPP) or Registered Retirement Savings Plan (RRSP) is the secondary classification defined for pretax deductions. RRSP is a type of account for holding savings and investment assets for retirement income.

When you create a pretax element, you can apply for an annual legislative limit for the pension deductions of RRSP and also opt for an employer match contribution. This only applies to primary element classifications of Pretax Deductions with secondary classifications of RRSP. Use the pretax element template and answer the questions given in this table.

Field	Value
Enforce RRSP limit?	The options are **Yes** or **No**. You are presented with the next question only if your answer to this question is **Yes**.
Is an employer match required?	The options are **Yes** or **No**. You are presented with the next question only if your answer to this question is **Yes**.
Are the employer contributions insurable?	The options are **Yes** or **No**.

If the option to enforce the RRSP limit is selected, the RRSP contribution for the year is capped at the annual limit. This includes both the employee contribution, as well as the matched employer contribution taxable benefit.

When the employer match option is selected during element creation, new shadow elements are created. These are the input values generated by the template to support employer match contributions:

- Enforce RRSP Limit
- Employer Match
- Employer Contribution Insurable
- Employer Contribution Amount
- EI Hours
- EI Allocation
- Taxable Benefits Tax Processing

These are the payroll run balances to support employer match contributions:

- RRSP Employer Contribution
- RRSP Employee Contribution

Employer Pension Contribution Rules

Employer Pension Contribution Rules for enforcing the RRSP Limit is defined at the PSU level. These rules determines the percentage of the employee's contribution matched by the employer up to the RRSP Limit for the year. Employer match contributions are also supported for RRSP deductions for both percentage and flat amount processing. The Employer Pension Contribution section of the Legal Entity setup page has these two fields to define the contribution values:

- **Percentage of Employee Contribution**: The percentage of the employee's contribution the employer will match.
- Maximum Contribution Percentage: The maximum percentage the employer will match of the employee's contribution.

Eligible Compensation of Earnings Balance Feeds

In order to calculate the employer's maximum contribution amount, the eligible compensation balance, **< Pretax RRSP Element Base Name>**must be fed with the earnings elements used to calculate the deduction. Ensure that all earnings that are subject to RRSP must have feeds to the pretax element's eligible compensation balance.

RRSP Limit

The RRSP Limit options are only applicable for secondary classifications of Registered Retirement Plan for Pretax Deductions. The RRSP value is captured on the Federal Component section of the employee's Tax Credit Information tax card.

Enable RRSP

Use the Run Element Upgrade process to enable RRSP. When you run this process, it performs different actions upon the objects related to the elements, such as input values, formulas, and balances.

Before you run this process, consider the following:

- If the existing pretax element was created at payroll relationship level, it's not eligible for upgrade for the RRSP functionality. Only elements at the assignment levels are available to upgrade.
- If the element needs to be upgraded for both pretax iteration and RRSP functionality, you must run the upgrade process individually for each feature.
- You must reassign the element to the employee, if:
  - If the element is already assigned to an employee, , and
  - Element is already processed in a payroll

  If you don't reassign the element to the employee, the default values created for the new input values aren't displayed in the employee's element entry.

Related Topics

Iterative Deductions for Pretax Elements

Enable the iterative deduction processing for Pretax elements for an employee so that sufficient net pay is available for other statutory tax deductions or involuntary deductions. The statutory tax deductions and involuntary deductions are deducted on priority when an employee has insufficient earnings.

When multiple elements exist, the pretax deductions are reduced in the order as listed in this table.

Secondary Classification	Default Iterative Order
User-defined Secondary Classification	300
Registered Retirement Plan	200
Union Dues	100

Secondary Classification	Default Iterative Order

Note: If you create a user-defined secondary classification for a pretax element, change the iterative order of the element because the default is set to 300. To change the iterative order of the element, update the Iterative Order property under the Advanced Rules section of the base element.

Here's the list of balances that hold the "tax not taken" amounts for the various taxes:

- Federal Tax Not Taken
- Provincial Tax Not Taken
- CPP Not Taken
- EI Not Taken
- Payroll Tax Not Taken
- QPP Not Taken
- QPIP Not Taken

The existing Tax Not Taken balance holds the amount for all taxes not taken.

Iterative Process for New Pretax Elements

Use the Elements task to enable the iterative deduction processing for new pretax deduction elements. To enable iterative processing for the pretax element, while creating the pretax deduction element, answer *Yes* to this question in the elements template:

- Is this element subject to iterative processing?

Note: The default value for this question is *No*.

This question is only presented for pretax elements when the element isn't subject to proration, when your answer to the following question is *No*:

- Is this element subject to proration?

For iterative processing to occur, designate one of these partial deduction options for the element's standard rule:

- Don't take a partial deduction or create arrears.
- Don't take a partial deduction, place all in arrears.
- Take a partial deduction, but don't create arrears.
- Take a partial deduction, place remaining in arrears.

It's strongly suggested that the value of the **Clear Arrears** parameter in the element entry is retained as **No**. If it's set to **Yes**, iteration processing performance is impacted.

Note: The default value of the **Clear Arrears** parameter in the element entry is **No**.

Iterative Process for Existing Pretax Elements

Use the Element Upgrade process to upgrade the existing pretax elements to support the iterative deduction processing.

When you run this process, it performs different actions upon the objects related to the elements, such as input values, formulas, and balances. This process generates an output report in Microsoft Excel format that describes these changes.

Note: If you have enabled proration on a pretax element, you can't upgrade it using this process.

Before you begin the upgrade process, consider the following:

- You can't roll back the changes made to your existing pretax elements. Hence, first run this process in a test environment. Test your scenarios to ensure they perform correctly when you run payroll after the upgrade process. Run this process in a production environment, only after you have verified your scenarios in a test environment and you're satisfied with the results.
- Run this process initially in Draft mode, and use the output report to review the changes to be made. Once your evaluation is complete, and you approve of the changes, perform it in Final mode to implement the element upgrade.
- By default, when you enter the primary classification, this process runs against all eligible secondary classifications and elements. To limit the scope of the output, run it against specific secondary classification and element combinations.
- When this process updates formula objects, it overrides any manual configurations you may have made to the formulas. Check the Oracle Delivered Modified Formula column of the Draft mode output report to identify these formula objects. Use the Formula Upgrade Option parameter to replace or preserve these formulas.
- To upgrade the pretax element for iteration functionality, you should first set the date in process configuration parameter "Date used by the element upgrade process for iteration flag". This indicates the effective date used by the element upgrade process to update the iteration indicator for the pretax element. It is suggested to use the next date of the latest payroll process. For example, if the latest payroll process completion date is November 15, 2018, then set this parameter to November 16, 2018 to avoid the retroactive processing effect because of pretax iteration. The entry format for the date is YYYY-MM-DD (2018-11-16).

To upgrade your existing pretax elements to support the new iterative calculation processing:

1. Navigate to Payroll under My Client Groups from the Home page.
2. Click **Submit a Flow**, and select an **LDG**.
3. Search for and select the **Run Element Upgrade** process, and click **Next**.
4. Enter these values for the pretax elements that require iteration.

Field	Value
Mode	Select Draft mode initially.
Primary Classifications	Pretax Deductions
Secondary Classification	Select a value, for example, Union Dues.

Field	Value
Enable Feature	Iteration on Pretax Element
Element Name	Select the element name for which you want to enable iterative processing.
Formula Upgrade Option	Display all formulas

5. Review the output of the report to ensure the pretax elements you want to upgrade are displayed on the report.
6. If you're satisfied with the results, run the process again in Final mode.
7. Submit the Compile Formula process to recompile all impacted formulas. Use '%' to include an entry for the formula and *Oracle Payroll* for the **Formula Type** parameter.
8. Run payroll and verify the results.
9. Once you have tested all of your pretax iteration scenarios and ensured they process correctly in payroll, repeat this process in your production environment.

Note: Also upgrade your existing involuntary deduction elements (and recompile the formulas) if you have:

- Created a new pretax element requiring iterative processing
- Upgraded an existing pretax element requiring iterative processing

Note: If you create new involuntary deduction elements, you don't have to run the upgrade process.

Create a Pretax Deductions Element

This example demonstrates how you can use the element template and create a pretax deductions element for Canada. Use the Elements task under Payroll to create the element.

Creating a Pretax deductions element includes:

- Creating the pretax deductions element
- Creating the element eligibility record

How to Create a Pretax Deductions Element

To create a deductions element:

1. Search and select the *Elements* task.
2. Click *Create.*
3. Enter these details.

Field	Value
Legislative Data Group	Select an appropriate LDG.

Field	Value
Primary Classification	Pretax Deductions
Secondary Classification	Select a value, for example, Union Dues.

4. Click *Continue*.
5. On the Basic Information page, complete these fields.

Field	Value
Name	Enter a name, example: Pretax Deductions1
Reporting Name	The name you enter is displayed on reports for this deduction payroll element.
Effective Date	Enter an early date so that the payroll element is available for use immediately.
Input Currency	Canadian Dollar
Should every person eligible for the element automatically receive it?	No
What's the earliest entry date for this element?	First Standard Earning Date
What's the latest entry date for this element?	Last Standard Earning Date **Note:** An element's latest entry date determines how element entries process after a person is terminated or transferred to another payroll.
At which employment level should this element be attached?	Payroll Relationship Level **Note:** Select Payroll Relationship Level, if you want to hold the arrears in a balance so that the payroll run can deduct the pretax amount in a subsequent payroll period. The arrears are held at the Payroll Relationship level.

Field	Value
What should happen if there are insufficient funds to cover the deduction?	Take a partial deduction, place remaining in arrears.
Does the element recur each payroll period, or does it require explicit entry?	Recurring
Process the element only once in each payroll period?	Yes
Can a person have more than one entry of the element in a payroll period?	No

6. Click *Next.* On the Additional Details page, respond to these questions, as shown in this table.

Field	Value
What is the calculation rule?	Fixed amount deduction.
Is this element subject to proration?	No
Is this element subject to retroactive changes?	No
Is this element subject to iterative processing?	Yes **Note:** This question is only presented for pretax elements when the element isn't subject to proration.
Processing Stop when the Total is reached?	Yes
What is the Registration Number for this element?	Specify the Registration Number used for reporting this deduction in the year end form.

7. Click *Next* twice. Verify that the information shown on the Create Element: Review page is correct.

8. Click *Submit*.

How to Create an Eligibility Record

On the Element Summary page, update the newly created element details.

1. In the Element Overview section, select *Element Eligibility*.
2. Select *Actions*, and then *Create Element Eligibility*.
3. On the Element Eligibility name field, enter a name for the eligibility record.
4. In the Eligibility Criteria section, select any criteria if you want to restrict who can pay this deduction. Or else, select *All payrolls eligible*.
5. Click *Submit*.

   All the associated balances, feeds, input values, formulas, and related elements required for payroll processing are created automatically.

Related Topics

- Pretax Deductions for Canada
- Options for Creating Pretax and Voluntary Deduction Elements for Canada

Designate Pretax Elements for Nonperiodic Earnings for Canada

When you add pretax deduction elements, you can assign the deduction to both the regular and nonperiodic earnings or only the nonperiodic earnings.

By default, when an employee has regular and nonperiodic earnings in the same pay period, the pretax deduction is applied in this order:

1. The pretax deduction is first used to reduce the regular earnings.
2. If the regular earnings are reduced to zero, the remaining pretax deduction amount reduces the nonperiodic payment.
3. If the nonperiodic payment is reduced to zero, the remaining pretax element is used to reduce lump sum payment, if any.

However, if you select the option to designate the pretax deductions only for nonperiodic earnings, the pretax deduction is used only to reduce the nonperiodic earnings.

To designate the pretax deductions only for nonperiodic earnings, answer **Yes** to this question on the pretax element template, 'Should this element apply only to nonperiodic earnings?'.

Consider the following while designating pretax deductions only for nonperiodic earnings.

Considerations for Designating Pretax Elements for Nonperiodic Earnings

Pretax Element Template Question	Selection
Process element only once in each payroll period.	No
Process and pay element separately or with other earnings elements?	Process and pay with other earnings

Pretax Element Template Question	Selection
What should happen when there are insufficient funds to cover the deductions?	Select either one of these: • Do not take a partial deduction or create arrears • Take a partial deduction, but do not create arrears
Is this element subject to iterative processing?	No

Sales Tax Calculations

Processing Sales Tax

Some specific benefits have sales tax calculations performed on them if you have configured them as such to process sales tax. Sales tax calculations apply to these element classifications:

- Taxable benefits
- Employer liabilities
- Voluntary deductions

These sections describe the factors that influence sales tax calculations.

Sales Tax Calculations

This table shows the calculated sales tax and whether they belong to Federal or Provincial calculations.

Level	Sales Tax
Federal and Provincial	Harmonized Sales Tax (HST) • A combination of Goods and Services Tax (GST) and Provincial Sales Tax (PST).
Federal	GST
Provincial	• Provincial Premium Tax (PPT) • PST and Quebec Sales Tax • Retail Sales Tax (RST) on Insurance

Configure Elements for Sales Tax Calculations

The element template contains questions if sales tax applies to the element created. The default answer for each sales tax is *No*. The sales tax types that apply are:

- GST
- HST

- PPT
- PST
- RST

Your answer to the template question 'Should the tax be reported separately?', determine how the sales tax amounts are displayed on the Statement of Earnings and the employee's payslip, as given below:

- If Yes, then the individual sales tax amounts are reported as separate line items on the Statement of Earnings and the employee's payslip.
- If No, then the values for each sales tax for that element are combined with the element's base amount, and reported as one line item.

The default for the Report Sales Tax Separately option is *Yes*.

The following new input values exist on the base element related to sales tax:

- GST
- HST
- PPT
- PST
- RST
- Report Sales Tax Separately

Additionally, the application creates shadow elements for the main elements and the retroactive elements you create, to process sales tax. The shadow elements are:

- <Base Element Name> Sales Tax Calculator
- <Base Element Name> GST
- <Base Element Name> HST
- <Base Element Name> PPT
- <Base Element Name> PST
- <Base Element Name> RST Result

Balances

These are the balance types for the individual tax amounts:

- <element name> GST
- <element name> HST
- <element name> PPT
- <element name> PST
- <element name> RST

Retail Sales Tax Calculations

The Retail Sales Tax on Insurance tax calculation considers the province of employment on the tax card, as well as the province of residence of the employee. If you configure both PPT and Retail Sales Tax for an element, the Retail Sales Tax calculates on the base amount plus the PPT.

The details of the sales tax calculations for Retail Sales Tax and exceptions if the province of employment is in Ontario or, Quebec, are given below for the province of Manitoba. Employer-paid premiums relate to taxable benefits and employer liability elements, while employee-paid premiums relate only to voluntary deduction elements.

Province of Residence	Province of Employment	Employer-Paid Premiums	Employee-Paid Premiums
Manitoba	Manitoba	Subject to Manitoba Tax	Subject to Manitoba Tax
Outside Manitoba	Manitoba	Exempt from Manitoba Tax	Exempt from Manitoba Tax
Manitoba	Outside Manitoba	Subject to Manitoba Tax	Subject to Manitoba Tax
Outside Manitoba	Outside Manitoba	Exempt from Manitoba Tax	Exempt from Manitoba Tax
Manitoba	Ontario	Exempt from Manitoba Tax	Subject to Manitoba Tax
Manitoba	Quebec	Exempt from Manitoba Tax Subject to Quebec Tax	Subject to Manitoba Tax
Ontario	Ontario	Subject to Ontario Tax	Subject to Ontario Tax
Outside Ontario	Ontario	Subject to Ontario Tax	Exempt from Ontario Tax
Ontario	Outside Ontario	Exempt from Ontario Tax	Exempt from Ontario Tax
Outside Ontario	Outside Ontario	Exempt from Ontario Tax	Exempt from Ontario Tax
Quebec	Quebec	Subject to Quebec Tax	Subject to Quebec Tax
Outside Quebec	Quebec	Subject to Quebec Tax	Exempt from Quebec Tax
Quebec	Outside Quebec	Exempt from Quebec Tax	Subject to Quebec Tax
Outside Quebec	Outside Quebec	Exempt from Quebec Tax	Exempt from Quebec Tax

Workers' Compensation and Provincial Medical Liability

For taxable benefits, the workers' compensation and provincial medical calculations are processed on the combination of the taxable benefit and sales tax amounts, if applicable.

Net-to-Gross Earnings

How Net-to-Gross Earnings are Calculated

The Calculate Gross Earnings process calculates gross compensation values based on payroll frequency and the element entries attached to an employee. Calculations apply to the gross value of regular and supplemental earnings element classifications.

Run results don't include any results for taxable benefits, statutory information, absences, or voluntary or involuntary deductions. You can verify the results by viewing the statement of earnings, run results, and predefined payroll reports.

The process reports these deductions at the payroll relationship level:

- Flat amounts for the primary assignment only
- Percentage amounts aggregated for each assignment or terms record

Settings That Affect the Calculation

You can enter these parameters when running the process to calculate gross earnings.

Parameter	Purpose
Payroll Flow	Name that you assign when you submit the process. After running the process, you can use this name to search and monitor its status.
Payroll	Name of the payroll definition that determines the payroll period, calendar, and frequency.
Payroll Period	Payroll period for the payroll you're calculating, which determines other dates for processing.
Process Date	Optional. First date range on which to retrieve effective data for calculation, typically the process dates of the specified payroll definition.
Date Earned	Optional. Date of element entries to include in the calculation run. Overrides the default value determined by calendar of the specified payroll definition.
Consolidation Group	Optional. Name of the grouping of payroll runs for the specified payroll definition. Overrides the default consolidation group for post-run processing.
Run Type	Name of the run type that determines which payroll calculations to perform.
Payroll Relationship Group	Optional. Name of a group of payroll relationships to limit the people that are included in the run.
Payroll Configuration Group	Optional. Name of a group that determines performance parameters such as logging, chunk size, and number of threads. Overrides the default process configuration group.

Parameter	Purpose
Element Group	Optional. Name of a group of regular or supplemental earnings elements included in the run. You create element groups on the Object Groups page.

How Results Are Calculated

Calculations of gross earnings occur at the payroll relationship level. The payroll relationship structure groups employment terms and assignments together for calculations based on the payroll statutory unit. The resulting multilevel aggregation ensures the correct calculation and distribution of earnings. This figure illustrates the calculation process.

The main steps of the calculation process are as follows:

1. The process identifies the payroll relationships to process. If you specify a payroll relationship group, the parameter limits processing to the people in the group.
2. The process creates a payroll action representing the payroll and a payroll relationship action for each relationship processed.
3. The process loads into memory the element entries for the payroll relationship action.
4. The process identifies and determines any formulas to run for calculating the element entries.
5. At the end of the process, you find one run result value for each element entry value. If the element entry involves currency conversion, the payroll calculation uses the current conversion rate and rounds the monetary result based on the formula rules.
6. For each run result, the process determines which balances the result should feed. The process then writes and updates the balances to the database.

Example 1: Calculation Based on Annual Salary Basis

Your payroll provider might require you to pass values for gross earnings periodically, based on the payroll frequency of each employee. If you use an annual salary basis to store the values, run the Calculate Gross Earnings process to calculate the values by payroll period.

The formula attached to the annual salary calculates the periodic value and feeds the value to a run result during the payroll run. You can extract the run result value using a payroll interface report.

Example 2: Calculation Based on an Element Group

To avoid processing all the regular and supplemental earnings in a calculation process, the process considers only the earnings elements that you associate with an element group. Specify the value of the element group as a parameter while you submit the Calculate Gross Earnings process.

Create a Net-to-Gross Earnings Element

You can create a net-to-gross (gross-up) element for any recurring or nonrecurring earnings element using these primary classifications:

- Standard Earnings
- Supplemental Earnings

Note: Canada does not support gross-up functionality for Taxable Benefits.

This example demonstrates how you can create a net-to-gross (gross-up) earnings element when an organization wants to pay a person a specific net amount on a bonus.

In this example, you're creating a nonrecurring, Supplemental Earnings net-to-gross earnings element for Linda Swift, who has received a bonus amount of 1000 Canadian Dollars. The allowed difference between the specified bonus and the actual amount paid is presumed to be .05 Canadian Dollars.

Creating a gross-up earnings element includes:

- Creating the earnings element
- Creating Eligibility Rules
- Reviewing Iterative Processing Order
- Including Balances in the Net-to-Gross Processing
- Creating an element entry

How to Create the Earnings Element

Perform these steps to create the element:

1. Search and select the **Elements** task in the Payrol area under My Client Groups.
2. Click **Create** and then select the values shown in this table in the Create Element window.

Field	Value
Legislative Data Group	CA LDG
Primary Classification	Supplemental Earnings
Secondary Classification	Bonus
Category	Standard

3. Click **Continue**.
4. On the Create Element: Basic Information page select the values shown in this table.

Field or Question	Value
Name	Bonus
Reporting Name	Bonus
Effective Date	01/01/2013

Field or Question	Value
What is the earliest entry date for this element?	First Standard Earning Date
What is the latest entry date for the element?	Last Standard Earning Date
Does the element recur each payroll period, or does it require explicit entry?	Nonrecurring
Process and pay element separately or with the other earnings elements?	Process separately and pay separately **Note:** All gross-up earnings elements must be processed and paid separately from other elements.

5. Click **Next**.
6. On the Create Element: Additional Details page select the values shown in this table.

Field or Question	Value
What is the calculation rule?	Flat Amount **Note:** The default value is Flat Amount. Do not change this value. All gross-up earnings must have a calculation rule of Flat Amount.
Use this element to calculate a gross amount from a specified net amount?	Yes

7. Click **Next**.
8. Click **Submit**.
9. In the Element Overview pane, select and review each input value, as shown in this table.

Input Value	Description
Pay Value	The gross pay value to be processed in the payroll run, entered by the iterative formula when it completes gross-up calculations.

Input Value	Description
Net	The user-entered flat amount, which provides the iterative formula with the desired net pay.
Low Gross	Used by the iterative formula to hold the lower gross pay guess, which feeds into the next iteration of the formula.
High Gross	Used by the iterative formula to hold the higher gross pay guess, which feeds into the next iteration of the formula.
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 net-to-gross processing. This amount is returned by the iterative formula.
To Within	The amount by which actual net can differ from desired net after normal processing. This amount must not be zero but can be a nominal amount such as 0.01.
Additional Amount	The amount to add to the desired net to calculate gross pay. This amount is returned by the iterative formula.

How to Create Eligibility Rules

Perform these steps to create eligibility rules:

1. In the Element Overview pane, click **Element Eligibility**.
2. Select **Create Element Eligibility** from the Actions menu.
3. In the Element Eligibility Name field, enter **Bonus**.
4. Click **Save**.

How to Review Iterative Processing Order

Perform these steps to review the iterative processing order:

1. In the Element Overview pane, click **Bonus**.
2. In the Advanced Rules section, review the iterative order.

> **Note:** The default value is 1000. If you have more than one iterative element that may be processed in the same payroll flow, it's important to adjust the iterative order to indicate which should be processed first. Iterative order must be in the reverse sequence of the processing priority numbers. The element with the lowest iterative priority number is reduced first.

How to Include Balances in the Net-to-Gross Processing

Perform these steps to include balances:

1. In the Element Overview pane, click **Balance Feeds.**

2. Review the balances to which the bonus contributes.
3. In the Element Overview pane, click **Gross Balance Exclusions**.
4. Add any balances that have been set to exclude by default if you want to include it on this specific earnings.
5. Click **Submit**.

How to Create an Element Entry

In this example, create the element entry for the bonus for Linda Swift.

1. Search and select the **Element Entries** task under Payroll in My Client Groups.
2. In the Name field, enter **Swift, Linda**.
3. In the Legislative Data Group field, select **CA LDG**.
4. In the Effective As-of Date field, enter **01/01/2013**.
5. Click **Search**.
6. In the Search Results, select **Linda Swift**.
7. Click **Create**.
8. In the Effective Date field, enter **01/01/2013**.
9. In the Element Name field, select **Bonus**.
10. In the Assignment field, select **E1026**.
11. Click **Continue**.
12. In the Net Value field, enter **1000.00**.

> **Note:** If you want to pay a net-to-gross element, without the net-to-gross processing, add the flat amount in the Amount field. This amount will be the gross paid. It will be reduced by the applicable deductions.

13. In the To Within field, enter **.05**.
14. Click **Submit**.

Create a Net-to-Gross Taxable Benefits Earnings Element for Canada

Canada doesn't support gross-up functionality for Taxable Benefits. However, to calculate taxes on the value of the Taxable Benefit, for example, a gift card, you can process a Supplemental Earnings element with gross-up enabled.

These are the steps involved to create a taxable benefits earnings element with gross-up enabled.

1. Create a **Supplemental Earnings** element to process the gift card amount. Define the element for gross-up, flat amount, and to process separately.
2. Create a **Voluntary Deductions** element so that the deduction takes back the net pay. This prevents the employee from receiving a payment, in addition to the taxable benefit.

> **Note:** Don't enable Sales Tax for this element. A secondary classification is required, and you can use any of the classifications available.

Payroll processing for the employee results in the following:

- The employee's earnings are grossed-up for the gift card.
- Taxes are calculated as per the defined wage basis rules.
- The employee's net pay is nil or zero.

This example demonstrates how you can create a nonrecurring, Supplemental Earnings net-to-gross earnings element when an organization wants to give a person a gift card.

How to Create the Earnings Element

Perform these steps to create the element:

1. Search and select the **Elements** task in the Payroll area under My Client Groups.
2. Click **Create** and then select the values shown in this table in the Create Element window.

Field	Value
Legislative Data Group	CA LDG
Primary Classification	Supplemental Earnings
Secondary Classification	Bonus
Category	Standard

3. Click **Continue**.
4. On the Create Element: Basic Information page select the values shown in this table.

Field or Question	Value
Name	Bonus
Reporting Name	Gift Card
Effective Date	01/01/2013
What is the earliest entry date for this element?	First Standard Earning Date
What is the latest entry date for the element?	Last Standard Earning Date
Does the element recur each payroll period, or does it require explicit entry?	Nonrecurring
Process and pay element separately or with the other earnings elements?	Process separately and pay separately

Field or Question	Value
	Note: All gross-up earnings elements must be processed and paid separately from other elements.
Process the element only once in each payroll period?	Yes
Can a person have more than one entry of this element in a payroll period?	No

5. Click **Next**.
6. On the Create Element: Additional Details page select the values shown in this table.

Field or Question	Value
What is the calculation rule?	Flat Amount **Note:** The default value is Flat Amount. Do not change this value. All gross-up earnings must have a calculation rule of Flat Amount.
Use this element to calculate a gross amount from a specified net amount?	Yes

7. Click **Next**.
8. Click **Submit**.
9. In the Element Overview pane, select and review each input value.

Create Voluntary Deduction Element

Create a **Voluntary Deduction** element used to recover the net payment. Respond to the various questions as shown in this table.

Question	Answer
What should happen when there are insufficient funds to cover the deductions? If you enable arrears, a reference is required for each deduction entry.	Take a partial deduction, but do not create arrears.
Does GST apply?	No
Does HST apply?	No

Question	Answer
Does PPT apply?	No
Does PST apply?	No
Does RST apply?	No

Enter a Net input value of say $1000 for the Supplemental Earnings element and, similarly $1000 for the Voluntary Deduction amount. Process payroll for the employee. The resulting net pay is 0, and employee and employer taxes are calculated.

The amount for the Supplemental Earning is included on the T4 Box 14, and RL-1 Box A. If you want to include the amount for a Taxable Benefit balance, for example, T4 Other Taxable Allowances and Benefits or RL-1 Other Benefits, you must create a balance feed manually for those balances.

For more information, refer to these topics on the Oracle Help Center:

- T4 Slip Box Information
- RL-1 Slip Box Information

Elements to Feed Prior Tax Balances

Create User-Defined Elements for Prior Tax Balances for Canada

Canada has tax balances to hold the prior contribution values for an employee. The tax balances are for Prior Canada Pension Plan (CPP), Prior Quebec Pension Plan (QPP), Prior Quebec Parental Insurance Plan (QPIP), and Prior Employment Insurance (EI).

This is to accommodate those values deducted by a previous employer in the case of acquisitions. These prior values are considered for the annual maximum contribution limits. The balances are listed below.

The dimension of Relationship No Calculation Breakdown, Province, Statutory Report Type Year to Date is used to initialize the following balances for Employment Insurance (EI)l:

- Prior EI Employer Liability
- Prior EI Employee Withheld
- Prior EI Employer Taxable
- Prior EI Employee Taxable

The dimension of No Calculation Breakdown, Statutory Report Type Year to Date is used to initialize the following remaining balances:

- Prior CPP Employer Liability
- Prior CPP Employee Withheld
- Prior CPP Employer Taxable
- Prior CPP Employee Taxable

- Prior CPP Employee Basic Exemption
- Prior QPP Employer Basic Exemption
- Prior QPP Employer Liability
- Prior QPP Employee Withheld
- Prior QPP Employer Taxable
- Prior QPP Employee Taxable
- Prior QPP Employee Basic Exemption
- Prior QPP Employer Basic Exemption
- Prior QPIP Employer Liability
- Prior QPIP Employee Withheld
- Prior QPIP Employer Taxable
- Prior QPIP Employee Taxable

You can also adjust these balances using the balance adjustment process. Because these balances can't be adjusted directly, create an element corresponding to each balance you want to adjust, and use that element to feed the balance.

Use the **Elements** quick action under Payroll on your Home page, and create an element of Employer Taxes primary classification. Enter the required data and accept the default entries. After you submit the basic information create these components.

The classification of Employer Taxes covers both the employer and employee balances.

- On the Element Summary page, enter Input Values for Province and Statutory Reporting Type.
- Create the element eligibility for the base element, as well as the Results element created.

  > **Note:** If you don't see the Results element for selection, ensure you have created the element eligibility for the Results element.

- Create the necessary adjustments for the prior balances.
  Use the Pay Value to adjust the balance value. For any EI elements, select the province from the list as part of the adjustment entry. For non-EI elements, only adjust the Pay Value.

Set Up Payroll Processing Rules

Frequency Rules

Use frequency rules to process a recurring element at a frequency other than the one you defined for the payroll.

For example, you can use a frequency rule to process a monthly deduction in the third payroll period of the month for employees that are paid on a weekly basis. For employees that are paid on a semimonthly payroll, you can usea frequency rule to process the monthly deduction in the second period of the month only. In these cases, define adifferent frequency rule for each element.

Column headers dynamically display on the Element Summary page based on the frequency period. For example, if the payroll period is weekly, the column headers are Week 1, Week 2, and so on. To control how often to process the element, select the periods you want.

Controlling the Processing of Recurring Elements

The Date field on the Element Summary page provides three values. This table explains the three options you can use to control the processing of recurring elements.

Field Value	Description	How Pay Periods are Derived
Date Earned	Date on which the application processes element entries for the payroll run.	Uses the pay period end date of the period that contains the date earned to determine the number of pay periods in the month.
Effective Date In this context the effective date is the date on which the payments are processed.	In most cases this is the date between the first day and last day of the payroll period.	Uses the pay period end date of the period that contains the effective date to determine the number of pay periods in the month. **Note:** For offset payrolls, where the effective date isn't within the start and end dates of the current period, the end date of the period that contains the effective date is used. For example, you have an offset payroll where the period start date is 01-February, the end date is 14-February, and the effective date for the process is 16-February. In this case the actual period end date is 28-February because the effective date (16-February) is between 15-February and 28-February.
Payroll Run Date	Date used by the payroll calculation process to retrieve effective values such as employee details.	Uses the payroll run date to determine the number of pay periods in the month. **Note:** While the payroll run date is essentially the same as the effective date, the frequency rules process uses a different method to determine the number of the period in the month.

Example of Using the Payroll Run Date Option

Let's say you deduct pre-tax medical insurance payments twice a month for all employees on your biweekly payroll. In this scenario, you should select the Payroll Run Date option. Selecting this option ensures your payroll application doesn't process more than two deductions for the month.

The pay period dates listed in this table are for a biweekly payroll.

Pay Period	Pay Period Start Date	Pay Period End Date	Payroll Run Date
1	19-December-2015	1-January-2016	6-January-2016

Pay Period	Pay Period Start Date	Pay Period End Date	Payroll Run Date
2	2-January-2016	15-January-2016	20-January-2016
3	16-January-2016	29-January-2016	3-February-2016

This table describes how the process determines the number of deductions taken for each of the date values when you process your January payroll.

Field Value	Date Used to Derive the Number of Pay Periods	Number of Deductions Taken for January
Date Earned	Pay period end date	3
Effective Date	Pay period end date	3
Payroll Run Date	Payroll run date	2 **Note:** Deductions would be taken out for the first two pay periods only since the payroll run date for the third pay period is in February.

Element Frequency Rules for Terminated Employees

When you terminate an employee, the application normally ends the payment of recurring elements such as salary, therefore frequency rules can't be applied. The application processes frequency rules in the payroll period in which the employee terminates but these rules aren't processed in subsequent payroll periods. You can use element entry start and end dates to control the frequency of recurring elements for terminated employees.

Related Topics

- Restrict Payroll Processing

Rate Conversion Rules

You can select specific formula rules when you create an element to manage rate conversions. Conversion rules apply to earnings classification elements, including standard, supplemental, absence, and time elements.

Use one of these approaches to specify these conversion rules.

- Periodicity, if you select a calculation rule for flat amount, hours multiplied by rate, or days multiplied by rate
- Work Units, if you select flat amount calculation rule for a standard or supplemental earnings element
- Proration, if the element is subject to proration

Note: Unlike earning elements, Absence and Time Card elements don't have element input for conversion rules. To edit the conversion rules for such elements after they're created, do these steps:

1. On the Calculation Value Definitions page, search for and select the time card element.
2. Change the default value for the rate conversion rule from Standard Rate Annualized to Periodic Work Schedule Rate Annualized.

Conversion Rules

This table describes the predefined formula rules.

Conversion Rule	Calculation	Example
Standard Rate Annualized	1. Converts the source amount and periodicity to an annual value using default values of 2080 hours, 260 working days. 2. Converts the amount to the required periodicity and rate.	
Standard Rate Daily	1. Calculates a daily rate using default value 260 working days. 2. Converts the amount to the required output periodicity and rate.	
Standard Working Hours Rate Annualized	1. Converts the source amount and working hours to an annual value, using the employee's standard working hours. 2. Calculates the rate.	Employee works 40 hours a week with a monthly salary of 1000 pounds: ((1000*12) / (40.00*52) = 5.77 an hour
Assignment Working Hours Rate Annualized	1. Converts the source amount and working hours to an annual value, using the employee's working hours. 2. Calculates the rate.	Employee works 40 hours a week, with a 37.5 standard working hours a week, and a monthly salary of 1000 pounds: ((1000*12) / (37.50*52) = 6.15 an hour
Periodic Work Schedule Rate Annualized	1. Converts the monetary value and work schedule to an annual value, using the employee's work schedule for the payroll period for daily and hourly conversions. 2. Calculates the rate.	Employee assigned a payroll: Employee has a monthly salary of 1000 pounds, and is assigned a monthly payroll. The formula checks the work schedule details for the month. For a daily conversion: 1000 a month / 20 days in the month = 50 Employee not assigned a payroll: 1. Rate is calculated using the weekly rate calculation. 2. The amount is converted to an annual amount. 3. The amount is divided by the number of days or hours in that week based on the work schedule.

Work Schedule Calculations

For the Periodic Work Schedule Rate Annualized rule, the formula determines whether a work schedule exists for a person. The calculation begins at the assignment level and continues in the mentioned order until it finds a schedule.

1. Assignment
2. Position
3. Job
4. Department
5. Location
6. Legal Employer
7. Enterprise

Consider these conditions to accurately calculate elements for a payroll period:

- Confirm that a work schedule assigned to a person exists at the start date of the payroll period in which you're paying the person.
- If a person has multiple assignments for a term, create the work schedule at terms or assignment level, but not at both levels. You could find calculation errors while setting up schedules at both levels.

Related Topics

- Calculation Types in Calculation Value Definitions
- Calculation Value Definitions

Restrict Payroll Processing

Select rules to control which payroll relationships and which elements to process in a payroll run.

For example, a skip rule or frequency rule. Specify flow parameters when you submit the calculation process to restrict the payroll relationships and further restrict the elements that the run processes. For example, Calculate Payroll or Calculate Gross

Earnings.

Restrict the Elements Processing Based on Rules

You can create skip and frequency rules that control when the payroll run processes the recurring element.

Rules	Use To	Examples
Skip	Include or exclude the element entry for the person using rules in a formula	A once-each-period rule stops recurring element entries from processing more than once in a payroll period.
Frequency	Specify which payroll periods to process the entries	Changed to: A frequency rule might specify that the payroll run processes an element only on the first and third weeks of a month.

Restrict the Records to Process Based on Flow Parameters

As this table shows, specify flow submission parameters to restrict the number of records for the calculation process.

Parameter	Use To
Payroll Relationship Group	Restrict processing to the payroll relationships within the group, which you can define using static or dynamic rules, based on payroll relationship or assignment information.
Element Group	Restrict processing to the elements in the group, which you can define by selecting element classifications and including or excluding specific elements.
Run Types	Determine which payroll calculations to perform and how to pay the results. The application processes an element in all the run types, unless you set up the element in these ways: • To process separately • As a trigger for a run type, in which case it's automatically excluded from the other run types

This table shows the flow submission parameters for the calculation process including dates that control which records to process:

Date	Required?	Comments
Process Date	No	This is typically the payroll run date of your payroll definition.
Payroll Period	Yes	Used to derive other dates for processing.
Date Earned	Yes	Identifies these element entries • To include in the payroll run • That belong to a proration group and ended within the payroll period

Related Topics

- Overview of Object Groups

FAQs for Elements

What's the difference between a recurring and nonrecurring element?

A recurring element has an entry that applies in every pay period until the entry ends.

A nonrecurring element has an entry that applies in one pay period only. It's only processed once per pay period. The assigned payroll determines the dates of the person's pay period.

Note: A base pay element associated with a salary basis must be recurring.

What's an element's skip rule?

A skip rule is an optional formula that determines the circumstances in which an element is processed.

If you specify a skip rule for the element, payroll runs process the element only when the conditions of the formula are met. Otherwise, it skips the element. You select skip rules on the Manage Elements page.

Related Topics

- Overview of Using Fast Formula Components
- Element Skip Formula Type

How can I create an element for retroactive processing?

When you create the element, specify that it's subject to retroactive changes. Select the predefined retroactive event group for the element or create your own to select.

When an element is subject to retroactive changes, many of the components for the retroactive element are created automatically. This includes adding the element to the retroactive event group and proration group; however you must set up the retroactive components. To process an element in a retroactive payroll run, the element must have a retroactive component that defines the processing rules. Create your own retroactive event group, proration event group and change the default values for elements in the Element page.

When does an element get processed with a processing option of process once per period?

The first payroll run of each period processes the element entries. If this option isn't available for your country or territory, you can select a skip rule to process the element once each period.

Related Topics

- What's an element's skip rule?

What happens if I select the Closed for Entry option for an element?

The Closed for Entry option prevents the creation of all new element entries for the element. However, it doesn't affect any existing element entries.

> **CAUTION:** When hiring, terminating, or updating assignments, this option prevents all element entry creation for the element, including automatic entries.

Related Topics

- Element Entry Methods

What happens if I manually enter a value in an element entry value that has a runtime default value?

Any subsequent changes to the default value on the element or element eligibility record won't affect the element entry. To clear your entry, you can restore the default value.

Related Topics

- Default Values for Element Entries

How do I change the number of decimal places used in element input values?

Monetary input values use the number of decimal places defined for the currency, such as two for USD. If your calculations require more decimal places, select a numeric unit of measure for the input value.

The level of decimal precision that you specify must match the precision value set on the Manage Currency page for the country. This ensures that the payroll processes and reports used for reconciliation and legislative reporting produce the expected results.

14 Set Up Payment Methods

Organization Payment Methods

Overview

Create one organization payment method for each combination of legislative data group, payment type, and currency that you use to disburse wages and other compensation. You can also create rules to validate or process the distribution of payments.

Use the Organization Payment Methods page to view and edit.

Payment Types

When creating an organization payment method, you select a payment type. You can create more than one organization payment method with the same payment type.

The payment types that Canada supports are:

- Cash
- Cheque
- Direct Deposit

Payment Sources

If you're using Oracle Fusion Global Payroll for Canada for payroll processing, you must define at least one payment source for each organization payment method. Each payment source must be associated with an active bank account in Oracle Fusion Cash Management.

You can use the same bank account in different payment sources in more than one organization payment method, as illustrated in this table.

Payment Method	Payment Source	Bank Account
Cheque	Cheque	National Bank of Canada Account 6132549
Direct Deposit	Direct Deposit	National Bank of Canada Account 6132549

Note: If you're costing your payments, enter cost account information on the Manage Costing of Payment Sources page in the Accounting Distribution work area.

Payment Rules and Default Payment sources

If you define multiple payment sources, you can use payment rules to determine the appropriate payment source based on tax reporting unit (TRU).

This example shows one organization payment method with three different payment sources for different TRUs.

Payment Source	Tax Reporting Unit	Default Payment Source
Payroll Direct Deposit Source CA National Bank of Canada Account 6132549	None	Yes
Payroll Direct Deposit Ontario Bank of the West 1238900	TRU1	No
Payroll Direct Deposit Source Quebec Commercial Bank 8765999	TRU2	No

The first payment source that you add is the default payment source, but you can select another payment source as the default, or not have a default payment source.

To understand the effect of having a default payment source, consider these examples that describe what happens when a TRU changes, causing a payment rule to be invalid.

Approach	Example
With a default payment source, the payment process pays employees using the default payment source.	This approach might suit a company with multiple independent franchises, each with its own TRU. If a franchise holder sells the franchise, payments don't fail.
Without a default payment source, the payments process issues error notifications to ensure that you use the appropriate payment source to fund the payment.	This approach might suit a company with strict policies about payment rule compliance.

Related Topics

- Examples of Third-Party Payments

How Payment Methods and Payroll Definitions Work Together

You select organization payment methods when creating other objects, such as payroll definitions, third-party payment methods, and personal payment methods. This topic describes the functional relationship between organization payment methods and the objects that use them.

Functional Relationships

This table describes the functional relationship of organization payment methods with other objects.

Object	Function
Personal Payment Method	Associates a person to a payment method, currency, and payment source.
Third-Party Payment Method	Enables separate payment information for payments to third parties who aren't on the payroll. Payments to third parties, such as garnishments or other involuntary deductions, are typically cheque payments processed separately from the payroll.
Payroll Definition	Establishes the payment method for payments to employees who have no personal payment method defined. **Note:** You can't set Direct Deposit payment methods as the payment method because each payee must have a personal payment method with account information to know where to deposit the money.
Run-Type Payment Method	Overrides a payroll's payment method for payments to employees with no personal payment method defined. For example, your regular payroll is by Direct Deposit but you issue cheque bonuses once a year. Using the Separate Payment run type, the payment method overwrites the payment method of the payroll.

Configure Payment Method Preferences

Configure preferences related to payment methods within a legislative data group (LDG) using Payment Method Preferences. Preferences are applied when your self-service employees enter payment methods for payroll payments.

Note: *If you support multiple organization payment methods of the same payment type, you MUST indicate which of these should be available to your self-service users, using the Payment Method Preferences page.*

Note: *If you intend to support multiple organization payment methods of the same payment type, then the Organization Payment Method field will appear on the Payment Methods page.*

Preference Rule	Action	Example
Legislative Data Group	Choose from the list of existing LDGs for the Payment Method Preference.	Payment Method Preferences are applied to LDGs. In all cases, choose your LDG for the preference.

Preference Rule	Action	Example
What organization payment methods should be available for employees to select?	Choose from the list of existing OPMs for the LDG you want available to your employees on the Payment Method page. Note: When you choose multiple OPMs for the same payment type, employees will select from an OPM list instead of a payment type list to set up their personal payment methods.	You support check/cheque and EFT payment methods but you only want checks/cheques to be issued under certain circumstances. In this case, choose your EFT OPM and don't choose your check/cheque OPM from the list.
What is the maximum number of payment methods an employee should be allowed to create?	Enter the maximum number of payment methods you want an employee to create. Note: This number means an employee can create as many payment methods as they want equal to or less than this number.	You want to restrict the number of personal payment methods employees can create to 1. In this case, enter 1 into the field.
What payment amount types should be available for employees to select?	Choose from the list of payment amount types you want available to your employees on the Personal Payments page. Note: The system default is Both.	You want employees to only create payment methods with percentages. In this case, choose Percentage from the list.
What payment methods should employees not be allowed to edit?	Choose from the list of existing OPMs for the LDG you want to restrict your employees from editing on the Payment Method page.	You support paying employees by Pay Card, however, you want the personal payment method details to only be entered by professional users. In this case, choose your pay card OPM from the list for your employees to view this information but not make any edits.
Should the above selected payment methods be excluded from the 100% validation logic?	Choose Yes or No from the list to include the available payment methods that aren't allowed to be edited but are included in the 100% validation rule.	You support Pay Card, however, you want to exclude this from the 100% validation rule so that your employees' salary can't be split between Pay Card and another payment method. In this case, choose Yes from the list.

Related Topics

- Bank Info for Personal Payment Methods
- Organization Payment Methods Overview
- Payment Method Rules Setup Examples

Examples of Payment Method Rules

Here are some scenarios to illustrate how you can use payment method rules to handle payments to different parties and from different payment sources. You set payment method rules on the Organization Payment Methods page in the Payment Distribution work area.

Pay Workers and Third Parties Using the Same Payment Source

Your organization pays all workers and third-party payees from the same source bank account. In this scenario, no special payment method rules are required. Ensure that the payment source is set as the default and that you leave the Third-Party Payment, Tax Reporting Unit, and Payment Criteria fields blank.

Pay Workers and Third Parties in the Same TRU Using Separate Payment Sources

You currently pay everyone in your TRU using Payment Source A. Your company recently employed a private consultant, Jon Moore, from a third-party auditing company. A new company requirement states that payments must come from a new payment source, Payment Source B. You create John as a third-party person payee. In your organization payment method, you add the Payment Source B as the payment source and a new payment method rule. In the payment method rule, you select the Third-Party Payment check box, John's name as the third-party person to pay, and Payment Source B.

Pay Workers in a Specified Department Using a Separate Payment Source

You want to pay employees in the Sales and Development departments using different payment sources. You create a payment method rule for each department, enter the department name in the Payment Criteria field, select the TRU and payment source.

This scenario has the following prerequisites:

- An information element exists named Default Payer with an input value named Payment Criteria.
- A formula exists that retrieves department names and the assignment IDs of the employees associated with them.
- The processing rules in the Default Payer element refer to the formula. The result rules target field is set to Payment Criteria. The returned field is set to the value specified in the formula.

Set Up Payment Sources in Organization Payment Methods

This example demonstrates how to set up payment sources when creating organization payment methods for payroll processing. You set up payment sources on the Organization Payment Methods page.

In this example, the InFusion Canada company pays its workers by Direct Deposit payments. The company sets payment rules to pay from two different banks based on tax reporting unit (TRU). You need one method to pay by Direct Deposit in Canadian dollars.There are three payment sources defined. One default payment source for Canada, one source for payments in Ontario, and one source for payments in Quebec.

Summary of Tasks

This worked example includes details for the tasks you perform when creating organization payment methods:

1. Creating the basic details
2. Adding Direct Deposit file information
3. Setting up payment sources
4. Creating payment rules

Before You Begin

Before you set up payment sources, complete these tasks.

1. The primary ledger is set up in Oracle Fusion General Ledger.
2. The banks, branches, and account information to use as the payment sources are set up in Oracle Fusion Cash Management.
3. The legal entity associated with the legislative data group is assigned to a general ledger.
4. TRUs are set up.

How to Create the Basic Details

1. Search and select the **Organization Payment Methods** task under Payroll.
2. In the Search Results section, click **Create**.
3. Select the legislative data group, for example, Canada LDG.
4. Select the date when you want this payment method to be available for use, and then click **Continue**.

   > **Tip:** Select a date that's on or before the effective date of the payroll definition or other objects that use this payment method.

5. In the Basic Details section, complete the fields as shown in this table and then click **Save**.

Field	Value
Name	Payroll Direct Deposit Canada
Payment Type	Direct Deposit
Currency	Canadian Dollar

6. Click **Save**.

How to Add the Direct Deposit Information

When you select the Direct Deposit payment type, you can enter the Direct Deposit information at these levels:

- Organization payment method level
- Payment source level
- Both levels

> **Note:** Direct Deposit information entered at the payment source level takes priority over information entered at the organization payment method level.

Perform these steps to create each payment source.

1. In the Payment Sources section under Payment Source Information, click **Create**.
2. On the Create Payment Source page, complete the fields in order, as shown in this table, and then click **Continue**.

Field	Canada Value	Ontario Value	Quebec Value
Name	Payroll Direct Deposit Source CA	Payroll Direct Deposit Source ON	Payroll Direct Deposit Source QC
Bank Account Name	National Bank of Canada	National Bank, Ontario	National Bank, Quebec
Bank Reference	123456789	234567890	345678901
Company Reference	456789012	567890123	678901234

> **Tip:** Keep your payment source names unique and as specific as possible for each scenario. This naming convention helps when managing complicated combinations of organization payment methods and payment rules.

How to Create Payment Rules

1. In the Payment Method Rules section, for Payroll Direct Deposit Source CA, ensure that the default setting is **Yes**.
2. In the same section, click **Create** and select the values shown in this table to create two payment rules that map a payment source to a TRU.

Field	Ontario Value	Quebec Value
Default	No	No
Tax Reporting Unit	Ontario TRU	Quebec TRU
Payment Source	Payroll Direct Deposit Source ON	Payroll Direct Deposit Source QC

3. Click **Submit**.

Related Topics

Derive Payment Sources Example

Use payment criteria to set up your rules to derive payment sources within a single TRU. The prepayments process uses the rules to identify the source bank information from the employee's TRU and any additional payment criteria you define.

This example uses department, but you can use other criteria, such as business unit.

Steps to Derive Payment Sources by Department

You want to pay employees in the Sales and Development departments from separate payment sources. You define the payment rules in organization payment method, create fast formulas get department names from HR and call the employees department names by Assignment ID, and create an element with the default payer information. The default payer element passes the department name as a run result value.

1. Define the payment rules .in the Organization Payment Method page.
    - Add one payment rule for each department in the Payment Method Rules section, as shown in this table:

Field	Development Department	Sales Department
Tax Reporting Unit	TRU 1	TRU 1
Payment Criteria	Development	Sales
Payment Source	Payment Source A	Payment Source B

> **Note:** In the Payment Sources section, create the payment sources to use in the payment rules, if they don't already exist.

2. Create the formula to get department names from HR.
    - Enter information on the Fast Formulas page, as shown in this table:

Field	Value
On the Fast Formulas page, create the formula with values as shown in this table:	XX_Employee_Department
Formula Type	Payroll Access to HR
Description	Formula to return the department of an employee.
Effective Date	01/01/1951 **Note:** Enter the same date used to create elements during implementation.

- In the Formula Text section, enter this content:

```
Default for PER_ASG_ORG_DEPARTMENT_NAME is ' '
l_dept_output = PER_ASG_ORG_DEPARTMENT_NAME
Return l_dept_output
```

- Click Submit.
- Click Complete.

3. Create the formula to get the departments for employees to use as payment criteria value.

> **Note:** This formula calls the department names formula to get employee department by Assignment ID, which are used to find employees values.

- Enter information on the Fast Formulas page, as shown in this table:

Field	Value
On the Fast Formulas page, create the formula with values as shown in this table:	XX_Default_Payer_Payment_Criteria
Formula Type	Payroll
Description	Formula to use the returned Department database item as Payment Criteria input for Default Payer element.
Effective Date	01/01/1951 **Note:** Enter the same date used to create elements during implementation.

- In the Formula Text section, enter this content:

```
Default for ASG_HR_ASG_ID is 0
SET_INPUT('HR_ASSIGNMENT_ID', ASG_HR_ASG_ID)
EXECUTE('XX_Employee_Department') /* Formula to retrieve the
Employee Department. */
Emp_Dept = GET_OUTPUT('l_dept_output','Null')
Return Emp_Dept
```

- Click Submit.
- Click Complete.

Create the Element to Derive Payment Source by Department

Create the Default Payer element with the Payment Criteria input value, and automatic element eligibility.

1. Create an element on the Elements page using the Information primary classification and the values shown in this table:

Field	Value
Name	Default Payer **Note:** This name must match exactly. This name is how the application identifies any existing payment criteria.
Reporting Name	Default Payer
Effective Date	01/01/1951 **Note:** Enter the same date used to create elements during implementation.
What is the earliest entry date for this element?	First Standard Earnings Date
What is the latest entry date for this element?	Last Standard Process Date

2. Edit the new element to create an input value named Payment Criteria:
    - Click Input Values in the Element Overview section.
    - Select Create Input Values from the Actions menu.
    - Enter values as shown in this table:

Field	Value
Name	Payment Criteria
Display Sequence	10
Unit of Measure	Character

    - Click Save.

3. Edit the new element to create element eligibility that is set to automatic entry:
    - Click Element Eligibility in the Element Overview section.
    - Select Create Element Eligibility from the Actions menu.
    - Enter Payment Criteria Element Eligibility in the Element Eligibility Name field.
    - Select Automatic entry.
    - Click Save.
4. Edit the new element to create processing rules:
    - Click Status Processing Rules in the Element Overview section.
    - Select Create Status Processing Rules from the Actions menu.
    - Select XX_Default_Payer_Payment_Criteria in the Formula Name field.
    - Add a row in the Result Rules section using the values in this table.

Field	Value
Result Returned	EMP_DEPT
Result Rule	Direct Result
Target Input Value	Payment Criteria

    - Click Submit.

Related Topics

- Payment Sources in Organization Payment Methods Setup Examples

Personal Payment Methods

Considerations When You Create Accounts

Banks, branches and accounts fit together on the premise of the Bank Account model. The Bank Account model enables you to define and track all bank accounts in one place.

The Bank Account Model can explicitly grant account access to multiple business units, functions, and users. Consider the following when you set up bank accounts:

- Assign a unique general ledger cash account to each account, and use it to record all cash transactions for the account. This facilitates book to bank reconciliation.
- Grant bank account security. Bank account security consists of bank account use security, bank account access security, and user and role security.

Legal Entity-Based Data Access for Bank Account Setup

By default, users with the necessary function security privileges have access to create and manage all internal bank accounts.

Optionally, restrict access to bank account information based on the user's legal entity data access. This allows cash managers to add, review, or modify only the bank accounts associated with the legal entities that the user has access to. For example, only users who have been assigned the Manage Bank Account (CE_MANAGE_BANK_ACCOUNT_PRIV) privilege for Vision Operations legal entity, can create, review, or modify internal bank accounts associated with this legal entity.

Decentralized organizations will benefit with improved security by ensuring that users only manage the bank account setup for the organizations they're authorized for.
Business benefits include:

- Improve security and increase control of bank account setup by limiting user access to bank account information.
- Helps decentralized organizations that require users only to manage the bank account information for the organizations they're authorized for.

To enable the feature Legal Entity-Based Data Access for Bank Account Setup, you must:

1. Use the Opt in UI to enable the feature.
2. Assign users to the appropriate legal entity security context:
    a. In the Setup and Maintenance work area, Select the Offering as Financials, Functional Area as Users and Security, and Task as Manage Data Access for Users.
    b. On the Manage Data Access for Users page, create data access for users by entering the user name, Cash Manager as role, legal entity as security context, and legal entity name as security context value, to create the data access for the user.
    c. Save the changes.

Once the feature is enabled, legal entity-based data access security is applied when an internal bank account is created or managed using either the UI or REST API.

Account Use

Account Use refers to accounts created for:

- Oracle Fusion Payables
- Oracle Fusion Receivables
- Oracle Fusion Payroll

Select the appropriate use or uses when creating an account in one or more of these applications.

Account Access

Payables and Receivables account access is secured by business unit. Before the bank account is ready for use by Payables or Receivables, you must:

1. Select the appropriate use for the application.
2. Grant access to one or more business units.

Note: You can only assign access to the business units that use the same ledger as the bank accounts owning the legal entity,

User and Role Security

You can further secure the bank account so that it can only be used by certain users and roles. The default value for secure bank account by users and roles is No. For Payables and Receivables, you must have the proper business unit assigned to access a bank account even if the secure bank account by users and roles is No. If the secure bank account by users and roles is set to Yes, you must be named or carry a role assigned to the bank account to use it.

- To set up banks, branches, and accounts, your custom role must have the security duty role Cash Management Administration. You must have the assigned the Manage Bank Account Security privilege (CE_MANAGE_BANK_ACCOUNT_SECURITY_PRIV) to modify the User and Role Security.
- To restrict the access to the Security tab, you must create a custom role and remove the Manage Bank Account Security (CE_MANAGE_BANK_ACCOUNT_SECURITY_PRIV) privilege. For example, you'd copy the Cash Management Administration duty role, rename it, and remove the privilege.

GL Cash Account Segments

Consider selecting the option to enable multiple cash account combinations for reconciliation to reconcile journal lines of multiple cash account combinations matching the same natural account and other specified segment values.

For example, if you set up 01-000-1110-0000-000 as your cash account, and select Account and Subaccount as GL Cash Account Segments, you can manually or automatically reconcile journal lines entered on different account code combinations matching the same natural account '1110' and subaccount '0000'.

Related Topics

- Assign Data Access to Users

How Bank, Branch, and Account Components Work Together

Banks, branches, and accounts fit together on the premise of the Bank Account model.

The model enables you to define and keep track of all bank accounts in one place and explicitly grant account access to:

- multiple business units
- functions
- users

This eliminates the redundant duplicate bank account setup in different business units when these business units share the same bank account.

Banks

Creating a bank is the first step in the bank account creation. You can:

- Search for existing banks to view and update
- Create a new bank from an existing party

Consider the following:

- The option to create from an existing party is implicitly implemented by the matching option.
- The option is available only after the existing party has been found with the same bank.
- If you select the matching option, the page repopulates the information from the matched party.

Branches

Once you have created your bank, the next step is creating a branch or branches associated to the bank. The matching option is also available when creating branches. To create a new branch without using the matching option, manually enter the required information. You can also define other branch- related attributes in the same page.

If you don't use the matching option when an existing party is found, a branch with the same party name is created.

Accounts

The four areas associated with defining an account are:

- General information
- Control of the account
- Security and access to the account
- Business unit assignment

Once the bank and branch are created, proceed to the bank account setup by doing the following:

- Select the bank branch you want to associate to your bank account.
- Assign the owner of the bank account.

> **Note:** To create a bank account for Payables or Receivables, add the Business Unit Access first for the business units to use the bank account.

Consider the following:

- The Oracle Fusion Account Payables or Receivables accounts are identified by the business unit.
- The Oracle Fusion Payroll accounts are identified by the legal entity.
- The program, Inactivates Banks and Bank Branches enables you to inactivate all banks and bank branches that have no active internal and external bank accounts.
- Optionally, secure the access to bank account information based on the user's legal entity data access, by enabling the opt-in **Legal Entity-Based Data Access for Bank Account Setup**.
- Legal entity-based data access for bank account setup:
  - Improves security and increases control of bank account setup by limiting user access to bank account information.
  - Helps decentralized organizations that require users only to manage the bank account information for the organizations they are authorized for.

Related Topics

- Considerations When You Create Accounts
- Reconciliation Matching Rules
- Assign Data Access to Users

Bank Info for Personal Payment Methods

You can create bank, branch, and bank account info as part of implementation, or you can let employees add their own bank info. Once created, you can use bank accounts in other Oracle applications, such as Cloud expenses.

Enter Bank Info for PPMs

This table summarizes approaches to create bank info for employees.

Approach	Purpose
Manage Banks and Manage Bank Branches pages	Create, edit, and view your bank account information. **Note:** In order to manage banks and branches, you must have the Manage Bank and Manage Bank Branch privileges.
Payment Methods page	Create, edit and view employee bank account details to receive payroll payments.
HCM Data Loader	Use an integrated Excel workbook to load personal payment methods and employee bank account details.

You can use CE_USE_EXISTING_BANK_BRANCH profile option to control to whether or not your employee can create their own bank and branch data. On the Manage Cash Management Profile Options page, set the Use Existing Banks and Branches profile option to either Yes or No.

- If you set the option to Yes, you need to load bank and branch data. Administrators and employees select bank and branch details from a list of values in the bank region on the Payment Method page.
- If you set the option to No (default setting), you don't need to load any bank details. Administrators and employees enter their bank and branch details as free text.

Access to PPMs and Bank Info

The table shows the privileges you need to access PPMs and bank info:

User	Privileges	Access Description
Employee Self-service	Manage Personal Payment Method	Allows users to manage their own personal payment methods

User	Privileges	Access Description
Employee Self-service	View Personal Payment Method	Allows users to view their own personal payment methods
Employee Self-service, Implementors, Administrators, or Managers	Payee Bank Account Management Duty	Allows users to create bank accounts
Implementors, Administrators, or Managers	Manage Worker Personal Payment Method	Allows access to manage employee personal payment methods
Implementors, Administrators, or Managers	View Worker Personal Payment Method	Allows access to view employee personal payment methods.

Related Topics

- How Bank, Branch, and Account Components Work Together
- Configure Payment Method Preferences
- Examples of Loading Banks
- Examples of Loading Bank Branches
- Example of Loading Personal Payment Methods

Bank Account User Rules by Country

Country-specific user interface rules have been predefined for employee bank accounts in the simplified bank account page.

The fields displayed on the user interface are governed by the rules defined in the table CE_CTRY_SPECIFIC_UI_RULES. The tables on the UI Rules list the predefined country-specific user interface rules for employee bank accounts in the simplified bank account page.

Related Topics

- Employee Bank Account Rules by Country: Argentina to Guernsey
- Employee Bank Account Rules by Country: Hong Kong to Norway
- Employee Bank Account Rules by Country: Oman to Vietnam

How Account Number Masking in Payroll Reports Work

To prevent display of sensitive bank account information, you can use the option of masking or encrypting bank account information in these reports:

- Payslips

- Payment Register
- Third-Party Payment Register

Masking involves displaying only a few specific characters of the account number or IBAN number, usually characters at the start or end of the number. The remaining characters are obfuscated and you can't see them on the reports. For example, a customer may want to display only the last 4 characters of the account number. In such cases, an account number ABC123456 displays as XXXXX3456 in reports and UIs that support masked account numbers.

Encryption requires a secure key for decoding the encrypted account number and IBAN number through an API. The application displays the truncated account or IBAN number when the encryption is turned on and the full, clear number when the encryption is turned off.

Settings that Affect Account Number Masking

The application stores the bank account number and IBAN number information in these columns of the database tables:

- Original column that stores the visible unmasked portion of the numbers.
- Masked column that stores the masked numbers. When masking isn't enabled, these columns store the full numbers.
- Secured column that stores the encrypted numbers and requires a secure key to retrieve the data.

This table shows how the bank account numbers are stored in the tables depending on how you configure masking and encryption.

Actual Account Number	Configuration - Masking	Configuration - Encryption	Original Column	Masked Column	Secured Column
ABC123456	No	No	ABC123456	ABC123456	ABC123456
ABC123456	Yes	No	ABC123456	XXXXX3456	ABC123456
ABC123456	Yes	Yes	3456	XXXXX3456	ABC123456

Note: The above table assumes that the masking setup displays only the last four characters of the bank account number.

- The first row in the table shows the default settings where both masking and encryption is turned off. The original full number is stored in all the three columns.
- The second row in the table depicts a scenario where masking is turned on but encryption is turned off. In this case the masked column displays only the last four characters of the account number.
- The third row depicts a scenario where both masking and encryption is turned on. In this case the original column contains the truncated four-digit account number. You need the secure key to retrieve the full account number from the secured column.

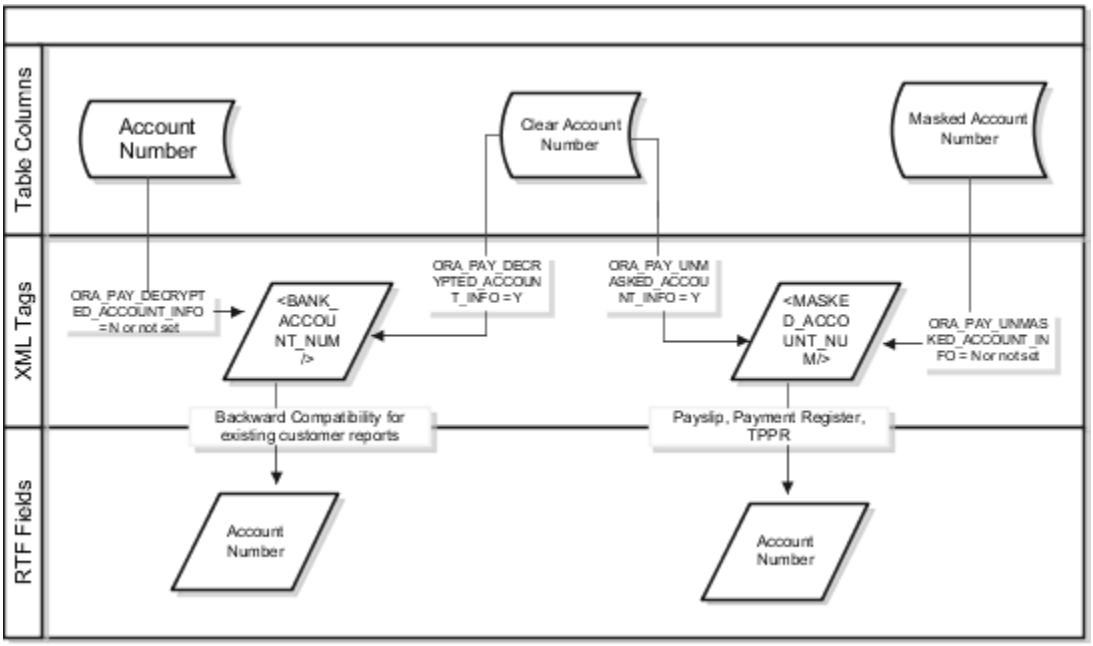
When you turn on encryption, the unsecured account number and IBAN columns only shows the visible characters as defined by masking. This means that to turn on encryption, you must turn on masking. However, you can turn on masking without turning on encryption.

How Account Number Masking Works

Use the new **Extract Unmasked Bank Information** (ORA_PAY_UNMASKED_ACCOUNT_INFO) process configuration parameter to display either the masked or full numbers in the reports. This new parameter ensures:

- Consistency across the three reports
- Control how you display the numbers on the reports

The following figure shows how account number masking happens for the three reports.



The figure shows the following:

- The first stream layer shows the table columns that store the account number information.
- The second stream layer shows the XML tags and process configuration groups.
- The third stream layer shows the RTF fields shown on the report template.

As explained in the previous section, the application stores the account number information in three separate columns.

The new `ORA_PAY_UNMASKED_ACCOUNT_INFO` process configuration parameter controls the `MASKED_ACCOUNT_NUM` tag to display:

- The masked account number when the process configuration parameter is by default or set to *No*, or
- The clear or full account number when the process configuration parameter is set to *Yes*.

For example, if you mail a copy of the Third-Party Payment Register to the payee, you may want to mask the sensitive bank account information. If the same report is shared securely within the Payroll Department to verify the bank account details, you may run the report with the process configuration parameter set to *Yes*.

All the three reports use the `MASKED_ACCOUNT_NUM XML` field to display the Account Number.

You can use the **BANK_ACCOUNT_NUM** field if you use an older copy of the three reports. If you do so and you have turned on encryption, you can use the `ORA_PAY_DECRYPTED_ACCOUNT_INFO` parameter to switch between a clear and truncated number.

Related Topics

- Options for System Security
- Enable Encryption of Sensitive Payment Information

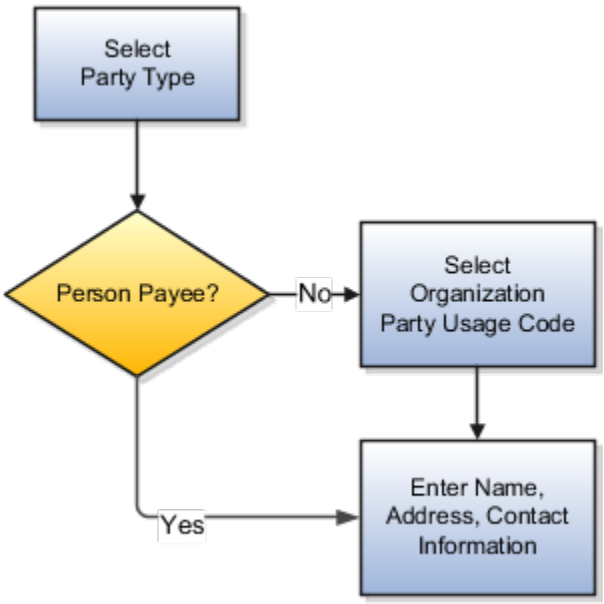
Third-Party Payment Methods

Third Parties Overview

You create third parties to process payments to external organizations and to people who aren't on the payroll. Use the Third Parties task to create third-party persons or organizations, such as pension providers, professional bodies, or disability organizations.

Note: When you create third-party persons and organizations, they're also defined as trading community members in the Trading Community Architecture (TCA), to allow use in other products.

This shows you the decision steps to create third parties.



Party Usage Codes

For third-party persons, the application automatically assigns a party usage code of External Payee. For third-party organizations, you assign a party usage code.

This table describes the party usage codes for third-party organizations.

Party Usage Code	Use For	Examples
External Payee	Organizations when the others party usage codes don't apply.	State Disbursement Unit for child support payments
Payment Issuing Authority	Organizations responsible for issuing instructions for involuntary deductions, such as a tax levy or bankruptcy payment order. Payment issuing authorities don't receive payments.	Court, agency, or government official
Pension Provider	Organizations that provide pension administration for employee pension deductions.	Stock broker, investment company, benefit administrator, labor union
Professional Body	Organizations entrusted with maintaining oversight of the legitimate practice of a professional occupation.	The American Society for Mechanical Engineers in the US
Bargaining Association	Organizations that represent employees in negotiations. Bargaining associations associated with trade unions may receive payments for union fees deducted from an employee's pay.	The Air Line Pilots Association International (ALPA) in Canada and the US
Disability Organization	Organizations that are authorized to make disability assessments. Disability organizations don't receive payments.	The Royal National Institute of Blind People in the UK

Related Topics

- Third-Party Payment Methods
- How Payment Methods and Payroll Definitions Work Together
- Example of Loading Organization Payment Methods
- Example of Loading Third-Party Personal Payment Method
- How do I import organization data?

Third-Party Rollup Payments

The Third-Party Payment Rollup process allows you to consolidate multiple payments to the same third-party payee into a single payment. This process is optional and can be used when you want to avoid making multiple individual payments to the same payee. The rollup process applies to both cheque and direct deposit payments.

For example, if several employees are members of the same union, or if an employee has multiple deductions payable to the same third-party (for example, multiple maintenance and support orders), you can consolidate these into one payment. To initiate this process, use the **Submit a Flow** task to run the Run Third-Party Payment Rollup.

Before you run the Third-Party Payments Register process to view third-party payment details, complete these tasks:

1. Calculate and verify prepayments

2. Run the Third-Party Payments Rollup process
3. Generate the payments

The Run Third-Party Payments Rollup process is optional. Use the Run Third-Party Payment Register process to consolidate multiple payments made to a third party and generate a single payment.

Exclude Third-Party Payment Methods

You may want to exclude specific third parties from the Third-Party Rollup process because they may want an individual cheque per payment.

You may exclude third-party payments from the rollup process by selecting the **Exclude from Third-Party Rollup Process** when setting up the Third-Party Payment Method in the Payment Method page. When running the rollup process prior to either the **Generate Cheque Payments for Employees and Third-parties** or the **Generate Direct Deposit Payments** process, each payment to the third-party marked for exclusion will not be included in the rollup and will be paid separately. For more information on third-party payment rollup, refer to the Implementing Global Payroll guide on the Oracle Help Center.

Generate the third-party payments register to view the individual payments made.

Report Third-Party Rollup Payments

Here's what you can generate and view after you run the Third-Party Payments Register process:

- List of individual third-party payments and the corresponding employee deduction information
- List of all rollup payments and deduction information of employees who share the same rollup payments
- Consolidated total of each rollup payment
- Payments made to each individual payee
- Consolidated total of multiple deduction payments of each employee
- Component name and component reference of involuntary deductions stored on the calculation cards
- Element name of voluntary deductions

Employee and Third-Party Cheque Payments

Use the **Generate Cheque Payments for Employees and Third-Parties** process to generate cheque payments for employees and third parties who:

- Are processed in the prepayments process for a given payroll
- Have a payment method of cheque

Third-party payments are available for these types of deductions:

- Pretax
- Voluntary
- Involuntary

Before you generate the cheque payments, consider these factors:

- An employer can have multiple employee deductions made to the same third-party payee, such as multiple child support orders. Rather than make individual payments for each employee deduction, use the Third-Party Payments Rollup process to combine individual employee deductions and make a single payment.

- For involuntary deductions, create an involuntary deductions element for the process to use the balances required to process the payments.
- For pretax and voluntary deduction element creation, you must specify during element creation if the element is applicable to third-party payments (note that this template question is not needed for involuntary deduction elements). You can only use this element for third-party payments once you specify that this element is used for third-party payments.
- Run this process to generate your cheques for employees and then run the process again to generate cheques for your third parties. Use the *Payee* field while running this process to select the appropriate payee.
- You may want to exclude specific third parties from the Third-Party Rollup process because they may want an individual cheque per payment. Select the *Exclude from Third-Party Rollup Process* check box on the Third-Party Payment Methods page to exclude a third-party payee from the Third-Party Rollup process.

  Run the Third-Party Rollup process before running the **Generate Cheque Payments for Employees and Third-Parties** process. This ensures that you exclude each third-party payment marked for exclusion rollup and you pay them separately.
- A third-party payee may want the payments on a date that's different from the employee payment date. For example, you may want to make employee payroll payments on the last day of the month, whereas, make third-party payments 5 days later. Use the Time Definitions task and create a time definition to define a time span of 5 days. Select this time definition in the *Time Definition* field on the Third-Party Payment Methods UI. Enter the relevant process dates, and run the prepayments process, for example, with a process date of 30, June. This stamps the effective employee payments date as 30, June and the third-party payments date as 05, July. The payments process runs twice:
  - Once for the employees with a process end date of 30, June
  - Once for the third parties with a process end date of 05 July and an overriding payment date of 05 July
- Different banks can have different cheque templates. To accommodate this requirement, you must first create a report category for each separate bank and cheque template. Select the created report category for the requisite bank's payment source so that the process uses the correct cheque template to generate the payments. Use the Organization Payment Methods task to define the payment source for third-party payments. Attach the correct report category for that payment source. Use the Report Category for Third-Party Payee or Report Category for Worker field in the Payee Information section of the Create Payment Source page.

Process Output

The **Generate Cheque Payments for Employees and Third-Parties** process generates these two outputs:

- Third-Party Cheque Payment

  The third-party cheque payment displays the payment details on the cheque stub, along with the physical cheque payable to the third party. The maximum number of payment detail lines included on the cheque stub is 17. If more than 17 detail lines are present in the payment, the cheque stub displays a message to refer to the audit report for details. The cheque stub displays no detail lines.

  Rollup provides the ability to combine multiple payments of different employees to one payee, or multiple separate payments of one employee to one payee. For payments aren't rolled up, the process creates individual cheques for each employee payment or each third-party payee.
- Third-Party Cheque Payments Audit Report

  The cheque payment audit report displays the employee payment details of each third-party cheque generated. The application produces this report automatically as part of the process.

Generate Employee and Third-Party Cheque Payments

Run the **Generate Cheque Payments for Employees and Third-Parties** process to generate cheques for your employees and third parties. The process selects employees and third parties who:

- Are processed in the prepayments process for a given payroll
- Have a payment method of cheque

Before You Begin

Before you use the **Generate Cheque Payments for Employees and Third-Parties** process, complete these tasks:

- Create the deduction element. For pretax or voluntary deduction elements, answer 'Yes' to the question 'Is the element applicable to third-party payments?'.
- Create the third-party payee (person or organization)
- Create the organization payment method (this must be unique for third-party payments).
- Add the payment method to a payroll definition.
- Attach a payroll to the employee.
- Attach element entries to the employee, enter amount and payee.
- Run payroll, prepayments and periodic payroll archiver.
- Run the Third-Party Payment Rollup process if applicable.

For information on creating third parties and organization payment methods, see the Administering Payroll for Canada Involuntary Deductions guide on the Oracle Help Center.

How to Generate the Employee and Third-Party Payments

Here's the steps for generating employee and third-party cheque payments:

1. Use the **Submit a Flow** from **Payroll** in **My Client Groups** on your Home page.
2. Select the required legislative data group.
3. Select the **Generate Cheque Payments for Employees and Third-Parties** process, and click **Next**.
4. Enter a unique payroll flow name.

   > **Note:** Name the flow so you can easily identify the process later. This is helpful while searching, so you can determine what you have already run or if you must roll back any process.

5. Specify the required payroll name.
6. Select the payee type for which the cheque payment process is run. The available options are *Employee* or *Third Party*. You can generate the cheque payments for either employees or third parties.
7. Enter a Process Start Date to define the date range of this process.
8. Enter a Process End Date to define the date range of this process.
9. Select the required consolidation group to view the payments for all payrolls that are included in this consolidation group. A consolidation group defines a grouping of different payrolls for reporting purposes. This isn't a mandatory field. If you don't select a value, the process uses the default consolidation group assigned to the payroll.
10. Select the OPM you want to use for this process. The value you select determines the payment source to make the payments. There could be multiple payment sources in the OPM.

11. Select the payment source to process for the above payment method. This parameter is optional. If you have defined attributes, such as a payment file limit or report category, at the payment source level, you should enter the payment source. When you enter the payment source, the defined attributes are applied.

    > **Note:** You can have different payment sources (bank accounts), with different banks, which have different cheque templates. You must then run the cheque process for each payment source and each set of payees. Select the correct payment source so that the correct stationary is used for the payments.

    To accommodate this requirement, you must first create a report category for each separate bank and cheque template. Attach the created report category to the appropriate bank's payment source so that the correct cheque template is used to generate the cheque payments.
12. Optionally, specify an **Overriding Payment Date** on which a payment is due to be made to the payee.
13. Specify the **Start Cheque Number** in the sequence of cheques used for payroll processing.
14. Specify the **End Cheque Number** in the sequence of cheques used for payroll processing.
15. Select a **Process Configuration Group** if available. Use a process configuration group to set rules for payroll processes, such as passwords or number of threads. If you don't select a process configuration group, the process uses the parameters in the default group.
16. Click **Next**.
17. Click **Submit**.

You can view the results in the Process Results Summary page. The process generates these outputs:

- Third-Party Cheque Payment
- Third-Party Cheque Payments Audit Report

Direct Deposits

Direct Deposit Configuration

Direct deposit refers to the electronic transfer of an employee's net pay directly into the accounts designated by the employee. For employees who have requested direct deposit payments, the application generates a direct deposit file for Canada.

The direct deposit file contains the details of the net pay distribution for each employee deposit. Financial institutions use the details in the file for processing and distributing the payments.

The CPA Standard 005 electronic file format is the format that's used for direct deposit transactions.

Before you generate the direct deposit file, complete these tasks:

- Set up the financial institutions
- Set up employer account information and organization payment methods
- Set up employee account information

Direct Deposits to Third-Party Payees

You can also process direct deposits for payments to third-party payees for the following types of deductions:

- Involuntary
- Pretax

- Voluntary

Setting Up Financial Institutions

Use the Manage Banks task in FSM to set up the financial institutions, branches, and account information for the organization. Before you enter the employees direct deposit account information, you must set up the financial institutions and branches that your employees use.

When defining the bank account information, Oracle recommends that you enter the transit number in the Account Name field. The transit number is required for recalls and it appears on the Core Payment Register Report.

Set Up Employer Account Information and Organization Payment Method

Use the Organization Payment Methods task to set up employer account information and organization payment methods. On the Create Organization Payment Method page, enter this information pertaining to your financial institution.

Field	Description
Payment Type	Select Direct Deposit, the name for electronic transfer of funds directly into employee designated accounts.
Financial Institution	Name of financial institution sending or receiving the direct deposit orders.
Destination Data Centre Code	A unique six-digit code issued by the financial institution for identifying the destination data institution to which the file is delivered.
Originator ID	Ten-digit code issued by the financial institution. It identifies the originator of the transaction.
Originator Long Name	The long name of the originator of the transaction. It is a name agreed upon with your financial institution.
Originator Sundry Information	Used by the originator to further identify the transaction to the payee or payer.
Originator Short Name	Short name of the originator of the transaction. It is a name agreed upon with your financial institution.
Balancing entries	If you select *Yes*, the balance debits offset the credits in the direct deposit.
Transaction Limit	Maximum amount of money allowed on a single direct deposit transaction.
Payment Limit	Maximum amount of money allowed on a single direct deposit file.
Transaction Type	Used by the originator to identify the type of payment, and it enables the processing Direct Clearer to further identify the payment to the customer. The CPA value defaults to '200', which identifies the transaction as a payroll deposit as outlined in the CPA Standard 005 direct deposit specifications. However, you can override this value at runtime by entering a different value in the **Override Transaction Type** parameter of the Generate Direct Deposit flow.

Field	Description
Return Institution ID	Routing information of the institution branch or office to which items are returned. It is a nine-digit number agreed upon with your financial institution. The format is **N NNN NNNNN** (without spaces): first position is constant *0*, second position is return institution number and the third position is return branch routing number.
Return Account Number	Account number for returns.

Set Up Employee Account Information

You must create a payroll definition that uses the Direct Deposit payment method and assign all employees to this payroll. Set up the direct deposit account information for each participating employee:

- If you haven't enabled employee self-service, use the Personal Payment Methods task in Person Management area to enter employee's direct deposit information.
- If you have enabled employee self-service, individual employees can provide their direct deposit account information using the Personal Payment Methods task.

The first account you enter should be the default account. If you define a second personal payment method account, you can specify the deposit amount as percent of the total amount or a flat amount.

After you have set up the employer's account information and the employee's personal payment methods, the processing of direct deposits can occur. Prior to running the direct deposit process, you must complete the following three tasks:

- Calculate Payroll
- Calculate Prepayments
- Archive Periodic Payroll Results

International Payments

When you run the Generate Direct Deposit Payment process for an international payment transfer, an XML file is automatically generated that contains the account and payment details of the international transfer. Customers can access the XML file on the BI server and use the XML to create an user-defined interface to pay Canadian employees to a bank outside of Canada. The employees are paid in a currency other than Canadian Dollars. The Generate Direct Deposit Payment process doesn't create any other output for this type of payment method.

The International Transfer payment type enables you to create an organization payment method for an international transfer and configure personal payment methods for bank accounts outside of Canada.

The following contain international transfer payment details:

- Payment archive
- Statement of Earnings (SOE)
- Prepayments
- Payslip
- Payment Register

Reprocess Rejected Direct Deposit Payments

Overview

Use the Process Bank Corrections File flow pattern from the Payroll Checklist work area to reissue cheque payments against rejected Direct Deposit payments. A bank can reject a direct deposit payment because of:

- Incorrect bank account details
- Employee has closed their bank account without notifying the employer

The process of reissuing a cheque involves:

- End dating the employee's personal payment method
- Inactivating the employee's bank account. You must inactivate the invalid bank account so that it's not used for future payments.
- Voiding the payment and making an external payment against the rejected direct deposit payment.

Before you run the flow, you must first transform the information returned by the bank into the requisite Object Group HCM Data Loader file format. You must provide a unique name in the **Object Group Name** field each time you create an HCM Data Loader file. You must then load the Object Group HCM Data Loader file into the Oracle Web Center Content server.

The Process Bank Corrections File flow pattern includes these payroll tasks:

1. **Upload Bank Corrections File** task stores the information entered in the Object Group HCM Data Loader file into the object group table. The bank information is stored in the object group table, under the 'Process Information Group' object group type in the payroll application.
2. **Update Personal Payment Methods** task determines, through built-in logic, whether the personal payment method needs end dating or updating. The logic is as given here:
    - If there is a value in the **Replacement Bank Number**, the **Replacement Account Number**, or the **Replacement Account Type** field, then the process updates the Personal Payment Method.
    - If any of the above mentioned fields is blank, then the process end dates the Personal Payment Method.

    This task uses the Payment Reference number to identify the Personal Payment Method that's linked to the bank account that has been identified as incorrect. It also inactivates the incorrect bank details to stop them being used in future payments.

    > **Note:** The flow task doesn't create a new Personal Payment Method. You must create one manually.

3. **Void Payments** task marks the original payments as void.
4. **Make External Payments** task runs the external payment process to ensure that the payments voided in the previous task are paid externally.
5. **Generate Cheque Payments** task runs the HCM Extract Report to retrieve the cheque number and other information from the external payment record to produce the report output. The delivered HCM Extract Report has a built-in logic to generate the cheque number, if not available.

Steps 3-5 only run if you have to reissue an external cheque for a rejected payment.

Note: You can use the delivered default cheque template or configure the template to include additional attributes such as a company logo.

Since a payslip is already issued, this flow doesn't generate the payslip.

Object Group HCM Data Loader Files for Bank Reprocessing

Before you run the Process Bank Corrections File flow, use the HCM Data Loader to load the information returned by the bank. The bank returns a file containing details of the payments that are rejected.

You must transform this information returned by the bank into the HCM Data Loader .dat file formats required by the Object Group HCM Data Loader.

You must provide a unique name in the **Object Group Name** field each time you create an HCM Data Loader .dat file. You must then load the Object Group HCM Data Loader file into the Oracle Web Center Content server.

The bank information is stored in the Object Group table, under the Process Information Group Object Group Type. Use the Object Group UI and the name given in the Object Group HCM Data Loader file to view the information loaded by the **ObjectGroup.dat** and **ObjectGroupStore.dat** files, as part of the Process Bank Corrections Flow.

When you load the **ObjectGroupStore.dat** file into the Oracle Web Center Content server, a UCM ID is generated. The Process Bank Corrections File flow uses the UCM ID to retrieve and use the bank information necessary for the flow.

Load Process Information Group Object Group

Create and use these HCM Data Loader .dat files to process the bank information by the HCM Data Loader.

- ObjectGroup.dat file to create the object group
- ObjectGroupStore.dat file to load the bank information returned by the bank

ObjectGroup.dat File Format

Here's the list of attributes for loading the ObjectGroup.dat file.

HCM Data Loader Attribute	Required	User Interface Prompt	Description
ObjectGroupName	Yes	Name	The name of the object.
ObjectGroupCode	Yes	Does not appear on the UI.	The code of the object group.
LegislativeDataGroup	Yes	Legislative Data Group	THE NAME OF THE LEGISLATIVE DATA GROUP.
ObjectGroupTypeCode	Yes	The meaning of the code is displayed in the Type field.	The code of the object group type. The supported value for the process information group type is `PROCINFO`.
StartDate	Yes	Start Date	The start date of the object group.

HCM Data Loader Attribute	Required	User Interface Prompt	Description
EndDate	Yes	End Date	The end date of the object group.

ObjectGroupStore.dat File Format

Here's the list of attributes for loading the ObjectGroupStore.dat file.

HCM Data Loader Attribute	Required	User Interface Prompt	Description
ObjectGroupCode		Does not appear on the UI.	The code of the object group.
LegislativeDataGroup		Legislative Data Group	THE NAME OF THE LEGISLATIVE DATA GROUP.
SequenceNumber	Yes	Sequence	A unique identifier for a row of data in the object group store file.
assignmentNumber		Assignment Number	The assignment number of the employee whose payment is rejected, or whose bank information needs updating.
paymentDate		Payment Date	The original payment date of the rejected payment.
processDate		Process Date	This date overrides the process date entered in the flow. The date entered here, is stamped against each process in the flow. It is the date the personal payment method is end dated and the payment is voided. Enter a value if you want one particular payment to have a different payment date to that of the payment date entered in the flow.
paymentReference	Yes	Payment Reference	A unique identifier for a specific payment line on the original NACHA file that was sent to the bank.
Amount		Amount	The original amount of the rejected payment.
chequeNumber		Cheque Number	The cheque number used in the External manual payment task and printed on the manual external payment cheque template.

HCM Data Loader Attribute	Required	User Interface Prompt	Description
replacementBranchNumber		Replacement Branch Number	Enter a value if the branch number (routing transit number) needs updating. If a value is entered in this column, it tells the process that the bank account associated to the personal payment method (PPM) used for payment needs updating.
replacementAccountType		Replacement Account Type	Enter a value if the employee's account type needs updating. If a value is entered in this column, it tells the process that the bank account associated to the PPM used for payment needs updating.
replacementAccountNumber		Replacement Account Number	Enter a value if the employee's account number needs updating. If data is entered in this column, it tells the process that the bank account associated to the PPM used for payment needs updating.
makeExternalPayment		Make External Payment	Enter 'Yes' if you want to void the original payment and make a manual external cheque payment. Valid values for this attribute are 'Yes' or 'No'.
Returnreasoncode		Return Reason Code	The reason for rejecting the direct deposit payment. The entered value is stamped on the external manual pay record.
Employeename		Employee Name	Name of the employee whose payment is rejected, or whose bank information needs updating.

The Update Personal Payment Methods task within the flow determines, through built in logic, whether the personal payment method needs end dating or updating. The logic is as follows:

- If there is a value in the 'Replacement Branch Number' field, the 'Replacement Account Number' field or the 'Replacement Account Type' field, then the process updates the Personal Payment Method.
- If any of the above mentioned field is null then the process end dates the Personal Payment Method.

You can delete information loaded to the process information group object group type using the HCM Data Loader. You must take care when deleting the records, because you can't recover the deleted records.

For more information on creating the HCM Data Loader .dat files and using the HCM Data Loader to upload data, refer to the HCM Data Loader User's Guide on My Oracle Support.

Configure Payslips and Cheques

How to Configure the Predefined Payslip Template for Canada

Use the predefined payslip template and edit it to include legislative requirements as mandated by your country or territory. For example, you may want to add your company logo or add additional fields to the template.

Configuring the delivered payslip template includes these tasks:

1. Create a copy of the delivered payslip report
2. Edit a copy of the payslip sub template to include additional components as per your requirements
3. Add the changed template to the report
4. Test the configured payslip report in BI Publisher

Create a Copy of the Delivered Payslip Report

You can either copy the report template or use the Customize function to create an exact copy of the delivered report template. It is recommended that you use the Customize feature because of these advantages:

- The copied report has the same privileges as original report.
- Creates the necessary folder structure and keeps the same name as the original Payslip report.
- Ensures that the copied report is placed in the same folder structure under the 'Custom' folder and the BI Publisher automatically chooses to use this modified report and you don't have to add the delivery option changes.
- If you choose to copy the template, you must manually add the delivery options.

Note: You must have BI Publisher Developer or BI Publisher Administrator role to create or edit reports from the BI Publisher.

1. Navigate to **Tools > Reports and Analytics**.
2. Click Browse Catalog to open BI analytics in a new tab.
3. Navigate to **/Shared Folders/Human Capital Management/Payroll/Regulatory and Tax Reporting/ Country Name** folder to open the delivered Online Payslip for a country.

   For example, for Canada, you can find the Canada Payslip Report at /Shared Folders/Human Capital Management/Payroll/Regulatory and Tax Reporting/Canada folder.
4. Select **More > Customize** for the payslip report.
5. Navigate to **/Shared Folders/Custom/Human Capital Management/Payroll/ Regulatory and Tax Reporting** folder and check if you can see the report in the folder.

   It is recommended that you save all user-defined or configured reports in the catalog folder Custom under Shared Folders. Any reports created outside of the Custom folder will not be migrated and will be lost during patching or upgrade.
6. Click **More > Permissions** to verify the permissions of the report. You should have permissions for the Generate Payslips account with Read, Traverse, Run Publisher Report, Schedule Publisher Report, View Publisher Output Custom Permissions. If you don't have these privileges, add it manually.

   If you have the BI Administrator or BI Author privileges, the Permission menu is enabled.

7. Navigate to the copied report in the **/Shared Folders/Custom/Human Capital Management/Payroll/Regulatory and Tax Reporting** folder.
8. Click **Edit**. Save a copy of this template.
9. Click on **View a list** found on the top right of the page. Make a note of these values.

Field	Value
Name	Name of the report, for example CAOnlinePayslip
Template File	CA_Online_Payslip.rtf
Type	RTF
Output Format	HTML, PDF, Excel, RTF
Default Template	HTML
Default Layout	Yes
View Online	Yes
Active	Yes
Locale	English

10. Click **View Thumbnails** link and delete the downloaded template.

Edit Copy of the Payslip Sub Template

Edit the delivered Payslip Sub Template and include the legislative and statutory changes you want to incorporate.

1. Navigate to **/Shared Folders/Human Capital Management/Payroll/Payment Distribution/Payslip Sub Templates.**
2. Click **Edit**.
3. Click **Locale**.
4. Open the template and make the required changes and save the template in the Custom folder.

Add the Revised Template to the Copied Report

Use these steps to add the revised template to the report you created in the first task.

1. Navigate to **/Shared Folders/Custom/Human Capital Management/Payroll/Payment Distribution/Payslip Sub Templates.**
2. Click **Edit**.
3. Click **Add New Layout**.
4. Select Upload and enter these details in the Upload Template File page.

Field	Value
Layout Name	Name of the report you created in the first task.
Template Name	Select the template you just modified in the second task.
Type	RTF
Locale	English

5. Click **View a list.**
6. Enter details you noted in step 9 in the first task and click **Save**.

Test the Configured Payslip Template in BI Publisher

To test the configured template, you must first run the delivered template and generate the payslip.

1. Navigate to **/Shared Folders/Human Capital Management/Payroll/ Regulatory and Tax Reporting/ Country Name** folder to open the delivered Online Payslip for the country.
2. Select **Job History** for the delivered report.
3. Clear the value of the fields **Start Processing** and **Owner**.
4. Click **Search** and choose first row with success status.
5. Click **Report Job Name** link.
6. Record the value of these fields: Archive Action Identifier, Delivery Option Identifier, and Payroll Action Identifier.
7. Follow these steps to test your configured report template in the custom folder.
    a. Navigate to **/Shared Folders/Custom/Human Capital Management/Payroll/ Regulatory and Tax Reporting/Country Name** folder and open the report you created.
    b. Enter values for Archive Action Identifier, Delivery Option Identifier, and Payroll Action Identifier fields you noted.
    c. Click **Apply**.
8. Verify that the payslip is generated successfully.

> **Note:** If the payslip didn't generate successfully, check your configured report and template for errors.

Cheque Advice

The Cheque Advice feature generates both an advice and an actual cheque. The advice contains employee, employer and payroll details, as well as earnings and deductions information. These details are based on the balances, personal, and other information archived by the Payroll Archive process.

The Generate Cheque Payments process selects employees processed in the Payroll Archive for a given payroll and pay period, and who have a payment method of cheque.

You must run this process after the Calculate Payroll, Prepayments and Archive Periodic Payroll Results processes.

If the employee's payroll relationship has multiple tax reporting units (TRUs) that are processed in the same payroll run, separate cheque advices are generated for each TRU. The separate advices are contained within one PDF document.

The cheque advice doesn't extend past one page. To accomplish this requirement, some details might be summarized if the output extends past one page.

Frequently Asked Questions

This table lists frequently asked questions about this report.

Question	Answer
How do I find this report?	In the Payment Checklist work area, select **Submit a Process or Report**. Specify a Canadian legislative data group, and select **Generate Cheque Payments**.
Who uses this report?	• Payroll Administrator • Payroll Manager
When do I use this report?	Generate this report whenever you require printable copies of your employee payments made by cheque.
What prompts can I use to narrow the results of this report?	Use the Payroll field to restrict the results to a specific payroll run.
How do I share this report?	• Add to briefing book • Schedule an agent to run the report
What tool do I use to edit this report?	Oracle Business Intelligence Publisher

Related Topics

- How You Create and Edit Reports

How to Translate Payslip and Cheque Advice

The employee's correspondence language determines if the payslip and cheque advice are generated in English or Canadian French.

The attributes you can translate include:

- Balance Name
- Position Name
- Job Name
- Tax Reporting Unit Name
- Payroll Name

- Salary Basis Name

Attributes that are translated automatically include:

- Cheque Net Pay in words
- Payroll Period Type
- Accrual Plan Category

Note: To generate the output in Canadian French, a user with a language preference of English must run the payroll archiver. This is because the archiver needs to archive all balances in English as the default language.

The sections below show how you can set the user preferred language and the employee's correspondence language to Canadian French.

How to Set the User Preferred Language

Before you translate the fields on a page to Canadian French, you must install the language pack and set the user preference to Canadian French. To set the user preferred language:

1. After you sign in to the application, use the drop-down list at the extreme right corner of the screen and select **Set Preferences**.
2. Select *Canadian French* for the Current Session and Display Name.
3. Click **Save**.

How to Set the Employee's Correspondence Language

To set the employee's correspondence language:

1. Select **Person Management** under My Workforce in the Navigator.
2. Search for and select the person record for the employee you want to set the correspondence language to Canadian French.
3. Select **Manage Employment**.
4. On the Manage Person page, click *Edit* in the Biological Information section.
5. Select *Canadian French* as the Correspondence Language.
6. Click *Save*.

Examples of Translating the Payslip and Cheque Advice Attributes

Before you translate the attributes on a page to Canadian French, you must install the language pack and set the user preference to Canadian French.

The following scenarios illustrate how you can translate attributes on a page.

Translate a Balance Name

To translate a balance name:

1. Select **Balance Definitions** task in the Payroll area under My Client Groups.
2. Select a Canadian *Legislative Data Group* and click **Search**.

3. Select the Balance Name row.
4. Click **Edit**.
5. Edit the Balance Reporting Name.
6. Click **Submit**.

Note: Predefined balances are translated by Oracle. You should only translate the names of balances defined by you.

Translate a Job Name

To translate a job name:

1. Select **Go to Task** for the Manage Job task in the implementation project task list.
2. Search for the Job Name you want to translate. Select the Job Name row.
3. Click *Edit - Correct*.
4. Edit the Job Name.
5. Click **Submit**.

Translate a Position Name

To translate a position name:

1. Select **Go to Task** for the Manage Positions task in the implementation project task list.
2. Search for the Position Name you want to translate. Select the Position Name row.
3. Click *Edit - Correct*.
4. Edit the Position Name.
5. Click **Submit**.

Translate a Tax Reporting Unit Name

To translate a tax reporting unit name:

1. Set the Scope for the Manage Legal Reporting Unit task in the implementation checklist.
2. Select **Go to Task** for the Manage Legal Reporting Unit task in the implementation project task list.
3. On the Manage Legal Reporting Unit page, edit the legal reporting unit name.
4. Click **Submit**.

Translate a Payroll Name

To translate a payroll name:

1. Select **Go to Task** for the Manage Payroll Definitions task in the implementation project task list.
2. Select the **Legislative Data Group** and the **Effective As-of Date**.
3. Click **Search**.
4. Search for the Payroll Name you want to translate.
5. Select the Payroll Name row.
6. Click *Edit - Correct*.
7. Edit the **Reporting Name**.
8. Click **Submit**.

Translate a Salary Basis Name

To translate a salary basis name:

1. Select **Manage Salary Basis** in the Compensation work area.

2. Search for the Salary Basis Name you want to translate.
3. Click **Edit**.
4. Edit the Salary Basis Name.
5. Click **Submit**.

Add Text to Payslips and Cheques

This topic explains the setup steps required to configure your cheques and payslips to display additional text. You can create element input values to store information, such as congratulatory messages and detailed earnings information, that you want displayed on cheques or payslips.

You must create an information element with input values, add the input values to the Organization Information EFF flexfield, and modify the output template. Depending on your implementation, you also may require a new formula.

Summary of the setup steps include:

1. Create the information element, its element eligibility, and the input values you want displayed.
2. If you need a formula to calculate the run results, perform the following steps:
    a. On the Fast Formulas page, create a formula of type Oracle Payroll to return the values that you want to add.
    b. On the Elements page, edit the information element to:
        - Create a status processing rule associated with your new formula.
        - Add formula result rules to return formula results to the element's input values.
3. On the Manage Enterprise HCM Information page, in the Organization Information EFF section, add the information element and input values.

    > **Note:** The Organization Information EFF configuration is at the enterprise level. For each LDG for which you want to archive payroll information, you must add a separate row for the information element.

4. Create employee element entries, unless you selected the **Automatic Entry** option for the element.
5. After calculating the payroll and prepayments, run the Archive Periodic Payroll Results process.
6. Modify the cheque template or payslip template, as appropriate. Refer to the Report Designer's Guide for Oracle Business Intelligence Publisher for more information.

FAQ for Payment Methods

How can I display employee work location and department on their payslip or cheque?

Define a cheque or payslip template to include the archived payroll information, including the employee's work location and department details. Use this template in the BI Publisher Report and add the report to the Generate Cheque Payments or Generate Payslips flow.

When you submit the flow, the flow output is automatically generated based on the template included in the BI Publisher Report.

Related Topics

15 Set Up Payroll Processing Rules

Payroll Process Configuration Groups

Payroll process configuration groups provide sets of processing parameters, primarily related to logging and performance.

Select a process configuration group when you run a process, such as a new-hire flow or termination flow, or an extract process or report.

If you don't select a process configuration group, the application uses the parameters in the default group. You must specify the default group in the Process Configuration Group ACTION_PARAMETER_GROUPS profile option.

Here's the list of tasks you can use to set up profile options and default process configuration groups.

Action	Task and Page
Edit predefined process configuration groups	Default Group tab of the Payroll Process Configuration page.
Create additional process configuration groups	Group Overrides tab on the Process Configuration Group page.
Select a process configuration group as the default at the site or user level	Manage Administrator Profile Values task in the Setup and Maintenance area.

To open the Payroll Process Configuration page, use the **Payroll Process Configuration** task under **Show More > Payroll** in **My Client Groups** on the Home page.

Create a group with the logging parameters turned on to troubleshoot processes. You can also specify different performance parameter values, such as chunk size and buffer size, for running different processes.

Parameters

Payroll Process Configuration Parameters

Payroll processing parameters are system-level parameters that control aspects of payroll-related processes, such as flows and reports.

Values for each parameter are predefined with the application, but you can override these values as part of your initial implementation and for performance tuning. Use the Payroll Process Configuration task under Show More > Payroll in My Client Groups on the Home page.

Processing Parameters

The effects of setting values for specific parameters may be system-wide. When you submit a process that uses flows, such as a batch upload, new hire, or report process, the process reads values from the PAY_ACTION_PARAMETERS table.

> **Note:** You should understand the concept of array processing and how this affects performance before setting some parameters.

The application doesn't allow a blank value for any parameter. Unless the parameter is required, you must delete the parameter row.

This table describes processing parameters and lists values and predefined default values. These parameters apply to HR applications including payroll and payroll interface.

Parameter	Description	Values
Assignment ID to End Logging	Assignment ID upon which logging ends.	Default: All assignments
Assignment ID to Start Logging	Assignment ID upon which logging starts.	Default: All assignments
Balance Buffer Size	Buffer size for array inserts and updates of latest balances, based on one row per balance. **Tip:** If your trace files show differences between execute and retrieve timings, look at the buffer sizes you're using. Try setting each of these to 100.	Maximum: 1000 Minimum: 1 Default: 500
Batch Error Mode	Determines error notifications for the HCM data loads.	ALL = all rows ANY = any rows NONE = no errors Default: ANY
Chunk Size	Number of payroll relationship actions that process together. See also the Parallel Processing Parameters topic.	Maximum: 16000 Minimum: 1 Default: 20
Disable Locking Code in Check Process Post-Populate Method	Disables the locking code added to the post-populate method to improve check process performance. This parameter isn't available by default. To add the parameter, search for the lookup type PAY_ACTION_PARAMETER_TYPE on the Common	Yes, No Default: No Only change this value if advised by Oracle Support.

Parameter	Description	Values
	Lookups page and add the lookup code ORA_DISABLE_POST_POP_FIX.	
Element Entry Buffer Size	Buffer size that payroll runs use in the initial array selects of element entries, element entry values, run results, and run result values per assignment.	Maximum: 1000 Minimum: 1 Default: 500
Formula Execution Logging	Sets the logging level to investigate formula code problems. See also the Logging Processing Parameters topic.	Unless the parameter is required, delete the parameter row.
Historic Payment	Removes the validation to look for banks active as of the process date. This validation is enforced by the payments process. This parameter isn't available by default. You can add it in test environments only. To add the parameter, search for the lookup type PAY_ACTION_PARAMETER_TYPE on the Common Lookups page and add the lookup code HISTORIC_PAYMENT.	Yes, No Default: No
Logging Area	Area to log code. See also the Logging Processing Parameters topic.	The values correspond to C-code entries in the form PY_ENTRY, that includes the functional area that has logging enabled.
Logging Category	Helps investigate problems with large volumes of detailed data. See also the Logging Processing Parameters topic.	You can set any number of categories by specifying multiple values. For example, enter GMPE, for general logging information, routing information, performance information, and element entry information. Refer to the Logging Processing Parameters topic in the Related Links section for applicable values. Unless the parameter is required, delete the parameter row.
Manual Task Processing	Determines processing of manual tasks when SOA server is unavailable.	Y, N Default: Y
Maximum Errors Allowed	Number of payroll relationship actions that you can roll back, when rolling back a process.	Minimum: 0 Default: CHUNK_SIZE or 20
Maximum File Size for View Report Output	Maximum size in bytes of the report file to show in the output window. This parameter isn't available by default. To add the parameter, search for the lookup type PAY_ACTION_PARAMETER_TYPE on the Common	Must be a positive number. Default: 10000000

Parameter	Description	Values
	Lookups page and add the lookup code BI_OUTPUT_SIZE.	
Maximum Iterations Allowed per Run Action	Maximum number of iterations allowed per run action within net-to-gross calculations within the payroll run.	Minimum: 0 Default: 15
Maximum Number of Payroll Relationship Actions to Roll Back	Number of payroll relationship actions that you can roll back, when rolling back a process.	Minimum: 1 Default: 50
Multithreaded XML Generation for Extracts	Generates XML for extracts using multiple threads.	Y, N Default: N
New Hire Flow Pattern	Name of the customer-defined flow that's triggered as part of the new hire process.	Unless the parameter is required, delete the parameter row.
Notifications Expiration Offset	Number of days before a payroll flow notification is automatically deleted.	Minimum: 5 Default: 5
Payroll Batch Loader Encryption Type	The type of encryption applied to source files loaded using the HCM data loader.	`PGPSIGNED, PGPUNSIGNED, PGPX509SIGNED, PGPX509UNSIGNED` Unless the parameter is required, delete the parameter row.
Payroll Criteria for Element Eligibility	Enables eligibility by payroll for assignment-level elements.	Yes, No Default: No
Process Timeout	Number of minutes before the Run Balance Generation process times out.	Minimum: 0 Default: No timeouts limit enforced. Unless the parameter is specified, delete the parameter row.
Remove Report Assignment Actions	Removes report processing actions after generating reports.	Yes, No Default: Yes
Run Result Buffer Size	Buffer size for array inserts and updates, based on 1 row for each payroll run result.	Maximum: 1000 Minimum: 1 Default: 500
Shuffle Chunk Processing	Random processing of order chunks for assignment actions.	Yes, No Default: No

Parameter	Description	Values
Suppress Empty XML Tags in Extract Reports	Reduces the size of extract output for reports by excluding tags with blank values in XML output files.	Y, N Default: Y
Termination Flow Pattern	Name of the customer-defined flow that's triggered as part of the termination process.	Unless the parameter is required, delete the parameter row. (No predefined Termination flow pattern).
Threads	Total number of subprocesses that you can run from the Oracle Enterprise Scheduler Service. See also the Parallel Processing Parameters topic.	Minimum: 1 Default: 1
Trace	Enables the database trace facility for application processes written in C only.	Yes, No Default: No
Trace Level	Sets the trace level of the trace event. To generate the finest level of detail, enter the highest value.	1, 4, 8, 12 Default: None
User Messaging	Enables detailed logging of user-readable information to the PAY_MESSAGE_LINES table.	Yes, No Default: No
XML_DATA_SOURCE	For document records delivery options performance purposes, determines if XML is derived from the database.	Y, N Default: Y

Payroll-Specific Processing Parameters

This table lists the processing parameters that are applicable only for Oracle Global Payroll.

Parameter	Description	Values
Accounting Date for Transfer to General Ledger	The date to transfer and post journal entries for costing results to Oracle Fusion General Ledger.	E = Date Earned P = Process Date DP = Date Paid from payroll time periods for calculate payroll and QuickPay only. EVE = For the Partial Period Accrual Reversal process, date earned is used. However, if the date earned isn't defined for the time periods on the Payroll Definition page, the payroll period end date is used.

Parameter	Description	Values
		For the payroll run that includes the actual costs, the process date of the payroll run is used. Default: P
Cost Buffer Size	Buffer size for array insert and select statements when calculating the costing of the payroll run results.	Maximum: 1000 Minimum: 1 Default: 500
Date to Retrieve Assignment Status	Date earned or date paid, used to determine the effective date for checking assignment status in payroll calculations.	E = Date earned P = Date paid Default: P
Earliest Retroactive Processing Date	Sets earliest date that retroactive processes are calculated. Updates made before this date aren't recalculated. **Note:** If you define a static retroactive start date and a rolling retroactive start date, the retropay process uses the latest of the two dates. For example, if the static retroactive start date is 01-JAN-2020 and the rolling retroactive start date is 15-MAR-2019, the retropay process uses a start date of 01-JAN-2020. Controls the start date of the retroactive period for the **Calculate Payroll for Retroactive Changes** flow (retropay) as well as for an individual employee	Date value in `YYYY/MM/DD` format
Extract Data Group for Payroll Register	Limits the records to include in the output file based on the specified data group name.	Default: No data group
Limit Payroll Register Output by Data Group	Enables processing a subset of records to include in the output file when an extract data group parameter value is also specified.	Y, N Default: N
Number of months in rolling period for retroactive changes	Sets the number of months in the retroactive pay rolling period. If you don't want to limit the duration of the retroactive pay period, change the default of 12 month rolling period to 999 months.	Default: 12

Parameter	Description	Values
	Note: You can limit the number of payroll periods included in the retroactive pay process by setting the earliest start date for the process for the process for all retroactive notifications using both the **Earliest Retroactive Processing Date** parameter and this parameter. For example, you may want to set a static start date based on your payroll go-live date and use a rolling period to ensure retroactive pay doesn't calculate for more than a 24 month period. Retroactive pay uses the latest of the two dates when both parameters are set. If you don't want to limit the duration of the retroactive pay period, change the default 12 month rolling period to 999 months.	
Reversal and Balance Adjustment Accounting Date	Accounting date based on one of these dates: • The process date of reversal or balance adjustment • The process end date of the Transfer to Subledger Accounting task. You can use this task to transfer journal entries for costing results to Oracle Fusion General Ledger.	T = Transfer using end date of the Transfer to Subledger Accounting task as the accounting date P = Use process date of the reversal or balance adjustment as the accounting date Default: P
Wage Basis Rules Buffer Size	Used in array selects from the PAY_ TAXABILITY_RULES table within the Payroll Calculation process.	Minimum: 100 Default: 500

Related Topics

- Payroll Process Configuration Groups
- Logging Processing Parameters
- Parallel Processing Parameters

Logging Processing Parameters

Use logging parameters to investigate problems that aren't easily identified in other ways. In a normal operation, disable logging because it can impact the performance of the process you're logging.

Note: Prepare log files before contacting Oracle Support for assistance. Define the logging area, category, and range of assignments before resubmitting the problem.

Logging Parameters

Typically, you use this feature during your initial implementation and testing before you go live. In a normal operation you should disable detailed logging.

The three processing parameters for logging are:

- Logging Area
- Logging Category
- Formula Execution Logging

Logging Area

The Logging Area parameter works with the Logging Category parameter to limit the code area for logging. Even if you set the logging category, you must also set the logging area if you want to limit logging to a particular code area.

The values correspond to C-code entries in the form PY_ENTRY, which includes the functional area that will have logging enabled.

Logging Category

Logging categories define the type of information included in the log. You can set any number of categories by specifying multiple values to focus on specific areas that you think may be causing a problem. The application doesn't allow a blank value and you must delete the parameter row if logging isn't required.

This table explains each logging category. It provides the log output information to investigate the problems encountered.

Parameter Value	Logging Category	Description
B	Balance Information	Provides output information that shows the creation and maintenance of balances used during payroll processing.
C	C cache structures information	Provides output information that shows details of the payroll cache structures and changes to the entries within the structure. While working on a service request, Oracle may ask you to use this parameter to gather additional information.
E	Element entry information	Provides output information that shows the state of the element entries in the process memory after retrieving entries from the database. The information is provided whenever data for an entry is changed during processing.
F	Formula information	Provides output information that shows details of formula execution, including formula contexts, inputs, and outputs.
G	General logging information	Provides general information, rather than a specific information type. This parameter doesn't provide sorted output. In general, it's

Parameter Value	Logging Category	Description
		recommended that you choose parameters that provide specific types of information.
I	Balance output information	Provides output information that shows details of values written to the database from the balance buffers.
L	Balance fetching information	Provides output information that shows the balances retrieved from the database and whether or not the process will use those balances. (If balances such as Year To Date totals have expired because the year has changed, the process resets them and uses the new balance.)
M	Entry or exit routing information	Provides output information to show when any function is entered and exited. This information is indented to show the call level, and can be used to trace the path taken through the code at the function call level. Often, this information is useful when attempting to track down a problem such as a core dump.
P	Performance information	Provides output information to show the number of times certain operations take place at the assignment and run levels and why the operation took place. This parameter is often used to balance the buffer array write operation.
Q	C cache query information	Provides output information that shows the queries being performed on the payroll cache structures. While working on a service request, Oracle may ask you to use this parameter to gather additional information.
R	Run results information	Provides output details of run results and run result values from the Run Results buffer or the Values buffer before writing them to the database. This enables verification that the buffer contents were correct.
S	C cache ending status information	Provides output information that shows the state of the payroll cache before the process exits, whether that process ends with success or an error. While working on a service request, Oracle may ask you to use this parameter to gather additional information.
T and Z	PL/SQL detail and PL/SQL output	To obtain detailed information about the PL/SQL calls made by the Payroll application, use the combination of the T parameter and the Z parameter.

Parameter Value	Logging Category	Description
		This combination is typically useful for obtaining information about payroll processes that use a large amount of PL/SQL code, such as prepayments and archive. Using this parameter, the process buffers output while it's running and places it the end of the log file after processing is complete. Each payroll process instance has its own log file, located under the log subdirectory for the particular process ID.
V (USA only)	Vertex tax calculation information	Provides output information that shows the values passed in and out of a third-party Vertex tax engine. This parameter also provides a separate file in the Out directory that shows the internal settings of the Vertex engine. This logging option is available to customers in the USA only.

Formula Execution Logging

Formula execution logging is the code area where logging is performed. This processing parameter mechanism is only available for formula logging in the payroll run. Specify parameter values as a character or combination of characters to determine the area for logging. For example, the string di (the combination of d and i) corresponds to the logging of database item cache access and formula input and output values. The default value is no logging.

> **CAUTION:** Use the dump logging options in rare circumstances only. The T trace option, which generates very large amounts of data, would significantly slow down processing.

The following table lists formula execution logging parameter values and its details.

Parameter Value	Meaning
c	Change contexts
d	Database item cache access
D	Database item cache dump
f	Formula cache access
F	Formula cache dump
I	Formula input/output values
m	Miscellaneous

Parameter Value	Meaning
n	Nested calls
s	SQL execution (database item and PL/SQL formula function calls)
T	Trace (very large level that provides the inputs and outputs of every call made when executing a formula)
w	Working storage area access
W	Working storage area dump
1	Level 1 (combination of c. f, i, and m)
2	Level 2 (combination of 1, c, d, n, and w)
3	Level 3 (combination of 2, D, s, and W)
4	Level 4 (combination of 3 and F)
5	Level 5 (combination of 4 and T)

Related Topics

- Payroll Process Configuration Groups
- Payroll Process Configuration Parameters
- Parallel Processing Parameters

Parallel Processing Parameters

Payroll processes are designed to take advantage of multiprocessor computers. Improve performance of your batch processes, such as Calculate Payroll or Calculate Gross Earnings, by splitting the processing into a number of threads, or subprocesses, which run in parallel.

To improve performance you can also set the number of payroll relationship actions that process together and the size of each commit unit for the batch process.

Parallel Processing Parameters

Threads

When you submit a batch process, the Threads parameter determines the total number of subprocesses that run concurrently. The number of subprocesses equals the Threads value minus 1.

Set this parameter to the value that provides optimal performance on your computer:

- The default value of 1 is set for a single-processor computer.
- Benchmark tests on multiprocessor computers show that the optimal value is approximately 2 processes per processor.
  For example, if the server has six processors, set the initial value to 12 and test the impact on performance of variations on this value.

Chunk Size

The Chunk Size parameter:

- Indicates the size of each commit unit for the batch process.
- Determines the number of assignment actions that are inserted during the initial phase of processing.
- Sets the number of assignment actions that are processed at one time during the main processing phase.

This parameter doesn't apply to all processes, such as Generate Cheque Payments and Retroactive Pay.

Consider these points when you set the value of the Chunk Size parameter.

- Parameter values range from 1 to 16,000.
- The default value is 20, which was set as a result of benchmark tests.
- Each thread processes one chunk at a time.
- Large chunk size values aren't desirable.

FAQs for Payroll Process Configuration

How can I improve performance and troubleshoot flows?

Add parameters to a payroll process configuration group to optimize performance and troubleshoot your payroll processes. To process large volumes of records, use the Threads and Chunk Size parameters.

To troubleshoot processes, add the Logging Category or Formula Execution Logging parameters to a configuration group and rerun the process using that configuration group. Using these parameters enables you to investigate formula code problems.

Restrict Payroll Processing

Select rules to control which payroll relationships and which elements to process in a payroll run.

For example, a skip rule or frequency rule. Specify flow parameters when you submit the calculation process to restrict the payroll relationships and further restrict the elements that the run processes. For example, Calculate Payroll or Calculate Gross

Earnings.

Restrict the Elements Processing Based on Rules

You can create skip and frequency rules that control when the payroll run processes the recurring element.

Rules	Use To	Examples
Skip	Include or exclude the element entry for the person using rules in a formula	A once-each-period rule stops recurring element entries from processing more than once in a payroll period.
Frequency	Specify which payroll periods to process the entries	Changed to: A frequency rule might specify that the payroll run processes an element only on the first and third weeks of a month.

Restrict the Records to Process Based on Flow Parameters

As this table shows, specify flow submission parameters to restrict the number of records for the calculation process.

Parameter	Use To
Payroll Relationship Group	Restrict processing to the payroll relationships within the group, which you can define using static or dynamic rules, based on payroll relationship or assignment information.
Element Group	Restrict processing to the elements in the group, which you can define by selecting element classifications and including or excluding specific elements.
Run Types	Determine which payroll calculations to perform and how to pay the results. The application processes an element in all the run types, unless you set up the element in these ways: • To process separately • As a trigger for a run type, in which case it's automatically excluded from the other run types

This table shows the flow submission parameters for the calculation process including dates that control which records to process:

Date	Required?	Comments
Process Date	No	This is typically the payroll run date of your payroll definition.
Payroll Period	Yes	Used to derive other dates for processing.
Date Earned	Yes	Identifies these element entries • To include in the payroll run • That belong to a proration group and ended within the payroll period

Related Topics

- Overview of Object Groups

Expedited Processing

Overview of Expedited Processing

Streamline the payroll processing of time card employees through expedited payroll runs. You can make immediate payments for absences, late time cards, or time card errors that an employee submits late on a time card.

You can process expedited runs only for absence and time entries that are retroactively modified on a time card and marked for expedited processing. Time card of employees that aren't marked for expedited processing are paid in the next scheduled regular payroll cycle.

When you define time and absence category elements, the application creates these value definitions for expedited processing.

- **Expedite**: Determines if this time card or absence entry corresponding to prior pay period adjustment needs to be included for expedited processing.
- **Override Payment Method**: Overrides the payment method on the Prepayments and QuickPay Prepayments process to Check. You can select this value only for time cards that you have marked for expedited processing.
- **Override Check Printer**: Tracks the check printer for the expedited time cards that are paid through check. The application ignores the Override Check Printer value if the employee isn't paid by check.

Related Topics

- How Expedited Processing Works
- Expedited Payroll Flow

Expedited Processing Rules

Expedited processing includes prior period adjustments to time, absence, and mandatory elements like taxes and percentage-based deductions. By default, the expedited run includes all the element entries for those employees who have an expedited time card.

Use Expedited Processing Rules option to exclude certain elements such as salary or flat amount based deductions from expedited payroll run. To review and create new payroll elements, use the **Elements** task in **My Client Groups**.

Expedited Processing Rule Option	Use To
Based on the element entry value	Initiate expedited processing depending on other parameters on the time card. This option applies only to time card and absence elements having the three input values and value definitions for expedited processing and is set automatically during element creation. The application processes elements with this rule based on the element entry value for 'Expedite'.

Expedited Processing Rule Option	Use To
Do not include in expedited payroll runs	Exclude elements like salary and flat amount-based deductions that are processed only once per pay period from expedited payroll runs. Set this option to include these elements only in the nonexpedited payroll run.
Include in both expedited and nonexpedited payroll runs	Include elements like taxes and percentage-based deductions in the expedited payroll runs. If you leave the Expedite Processing Rule blank, this option acts as the default behavior.

Related Topics

- How Expedited Processing Works
- Expedited Payroll Flow

16 Set Up Auditing and Data Validation

Audit Business Objects

Audit Payroll Business Objects

Set up auditing policies to maintain a history of changes to your important data: what changed, who changed it, and when.

The audit tracks changes to attributes of payroll business objects made using the application pages, web services, or payroll processes, which use Oracle Enterprise Scheduler.

You can view the audit history to determine how a business object obtained its current value and to compare old and new values. To view the history or to create an audit report from the Audit History work area, you require appropriate duty roles and privileges. Enterprises typically assign the following two audit duty roles to the application implementation consultant and master data management application roles:

- Audit trail management, which determines the objects audited
- Audit trail report viewing to view the audit history

Payroll Business Objects

When you set up auditing for payroll, you configure Oracle Fusion Applications business objects on the Manage Audit Policies page in the Setup and Maintenance area:

1. Select the HCM Payroll application on the Configure Business Object Attributes page.
2. Specify the attributes to audit for the objects.

   For example, you might audit the start and end date attributes for the calculation card component details.

This table lists the payroll business objects you can set up for auditing payroll. You track changes to attributes specified for these objects.

Payroll Business Object	Description
Assigned Payroll	Holds date-effective attributes about payrolls assigned to a worker.
Assigned Payroll More Details	Holds details that aren't date-effective about the payroll assigned to a worker.
Calculation Card	Holds values required for calculating payroll components.
Calculation Card Component	Holds the definition of a component that represents one or more logically related payroll components.
Calculation Card Component Detail	Holds the input values of a person's calculation card.

Payroll Business Object	Description
Calculation Reporting Card	Defines the tax reporting units that report the calculation.
Calculation Reporting Card Usage	Attaches a reporting card to a person record.
Element Entry	Holds earning and deductions details for a person.
Element Entry Value	Holds the values of the compensation and benefits granted to a person.
Payroll Calculation Range Value	Defines the values or sets of values used in the calculation of a value definition.
Payroll Calculation Value Definition	Defines how a value is calculated in payroll processing.
Personal Payment Method	Holds the payment method details for a person.

Related Topics

- Audit Policies
- Audit Configuration for Business Object Attributes
- Audit Reports

Audit Policies

Auditing is used to monitor user activity and all configuration, security, and data changes that have been made to an application. Auditing involves recording and retrieving information pertaining to the creation, modification, and removal of business objects.

All actions performed on the business objects and the modified values are also recorded. The audit information is stored without any intervention of the user or any explicit user action.

Use audit policies to select specific business objects and attributes to be audited. The decision to create policies usually depends on the type of information to be audited and to the level of detail required for reporting.

Enabling Audit Functionality

For Oracle Applications Cloud, you must configure the business objects and select the attributes before enabling audit. If you enable audit without configuring the business objects, auditing remains inactive. By default, auditing is disabled for all applications. To enable and manage audit, ensure that you have a role with the assigned privilege Manage Audit Policies (FND_MANAGE_AUDIT_POLICIES_PRIV). For appropriate assignment of roles and privileges, check with your security administrator.

To enable auditing for Oracle Fusion Middleware products, select one of the levels at which auditing is required for that product. The audit levels are predefined and contain the metadata and events to be audited. For more information, see *Audit Events for Oracle Applications Cloud Middleware (Doc ID 2114143.1)* on My Oracle Support.

If you don't want an application to be audited, you can stop the audit process by setting the Audit Level option to **None**. Also, note that there's no specified retention period for the audited data or the logs. Follow your company policy for retaining or removing such data.

> **Note:** You won't be able to enable audit if you're working in a sandbox. If you try to set up audit while you're in a sandbox, you will see the message "Audit setup is disabled in a sandbox". You'll also notice that the buttons associated with the audit functionality are disabled.

Related Topics

- Audit Configuration for Business Object Attributes
- Overview of Audit Configuration

Audit Configuration for Business Object Attributes

Audit enables tracking the change history of particular attributes of a business object. However, those objects and their attributes must be selected for audit and auditing must be enabled for that application.

The configuration settings determine which attributes to audit for a given object, and when the audit starts and ends. Auditing takes into account all the operations performed on an object and its attributes, such as create, update, and delete. To configure audit business object attributes, use the **Manage Audit Policies** task in the Setup and Maintenance work area.

Selecting an Application

To set up auditing, you must select a web application that contains the required business objects that can be audited. From the list of business objects, select those business objects that you want to audit. Selecting a business object also displays its attributes that are enabled for auditing.

Selecting Attributes

For each selected business object to be audited, select the corresponding attributes to include in the audit. All attributes that belong to that object are by default selected for audit and appear on the user interface. However, you can add or remove attributes from the list. When you remove an attribute from the list, you stop auditing it even when the parent object is selected for audit. So, if you want an attribute to be audited, you must add it to the list. If the object selected in an audit hierarchy is also a part of several other audit hierarchies, the attribute configuration for that object is applicable to all the hierarchies in that application.

For business objects based on flexfields, select the Flexfields (Additional Attributes) check box to view, add, or remove flexfield attributes. The selected objects are audited.

> **Note:** You can't audit LOB (BLOB, CLOB, and NCLOB), rich text, and long text attributes.

Starting and Stopping Audit

The business object is ready for audit after you select its attributes and save the configuration changes. However, to start auditing, the audit level for Oracle Applications Cloud must be set to **Auditing** on the Manage Audit Policies page.

To stop auditing an object, you can deselect the entire object and save the configuration. As a result, all its selected attributes are automatically deselected and aren't audited. To continue to audit the business object with select

attributes, deselect those attributes that aren't to be audited. When users view the audit history for an application, they can specify the period for which they want the results. Therefore, make a note of when you start and stop auditing an application.

For example, users intend to view the audit history of an object for the previous week, but auditing for that object was stopped last month. They wouldn't get any audit results for that week, because during the entire month that object wasn't audited. Even if you enable audit for that object today, users can't get the wanted results because audit data until today isn't available.

Note: When users export the report summary to a Microsoft Excel file, there's a limit on the number of rows that are displayed in the file.

- For Oracle Fusion Middleware products, the maximum limit is 25000. By default, the limit is set as 10000. You can change this limit using the FND_AUDIT_FMW_EVENT_LIMIT profile option.
- For Oracle Fusion Application Business Objects, the maximum limit is 10000 per table. This is set as the default value. Sometimes, the actual rows returned might be more than the limit set, because a single transaction can update multiple tables. To decrease this limit, you can create the FND_AUDIT_EXPORT_ENTITY_LIMIT profile option and set a lesser value for it.

  See *Why is it taking so long to get search results when exporting audit summary of Fusion Application Business Objects?*

Audit History

You can use the Audit Reports work area to view changes to the application data, such as the business objects that were created, updated, and deleted.

To view the history or to create a report, you must have a role with the View Audit History (FND_VIEW_AUDIT_HISTORY_PRIV) privilege assigned to it. For appropriate assignment of roles and privileges, check with your security administrator.

Audit Events

Transactional events in the application trigger the audit process based on the create, update, and delete operations. For events to trigger the audit process for the business objects, you must first enable the objects for auditing.

These are the events that trigger the audit process.

Transactional Event	When the Audit Activity is Triggered	Audit Report Content
Create	Whenever business object data is created and stored in the database	• Name of the created object • Name of the user who created the object • Time of creation
Update	Whenever the existing business object data is updated	• Both old and updated values of the object • Name of the user who updated the object • Time of updating

Transactional Event	When the Audit Activity is Triggered	Audit Report Content
Delete	Whenever the existing business object data is removed from the database	• The last value that the object attributes contained • Name of the user who deleted the object

The event details are stored in the audit table. The attributes of the audited object data can be used in lookups and foreign keys to display values in the audit history. The application supports displaying the audited information according to the language settings configured.

For Oracle Fusion Middleware products, events such as failed sign-in attempts are used as triggers. In absence of an audit table, the information is stored in the sandbox and presented only in English.

> **Note:** This topic focuses on the create, update, and delete event types available in Fusion Applications. For details on events used in the Oracle Fusion Middleware products, refer to the Oracle Fusion Middleware documentation. See: *Introduction to Oracle Fusion Middleware Audit Framework*

Related Topics

- View Audit Reports

17 Implementing Payroll Costing

Overview of Payroll Costing

Payroll costing tracks all your costs incurred to compensate your employees and distribute those costs to General Ledger. For example, salary, bonuses, paid leave, employer-paid portion of all payroll taxes are tracked and disbursed as expenses to your work structure.

- The *Payroll Cost Allocation* key flexfield is the basis for the accounting entries to be created and reported to track your labor costs. Consider all aspects and impact of this flexfield and its uses during your planning.
- *Calculate Payroll* flow calculates payroll, produces run results and costs them to your work structure and costing hierarchy:
    - Cross-Validation Rules validate payroll cost account combinations during the costing process and prevent invalid combinations entries sent to general ledger.
    - Payroll costing derives a cost account number for each payroll run result. Typically each segment of the cost account number represents the general ledger accounting structure; however this may not always be the case.
    - Payroll costing values are mapped to various segments of the customer's general ledger accounting structure.
- *Calculate Costing of Payments* flow creates costing results based on the prepayment results. And, when applicable, after the cash management reconciliation it allocates costs for payment results, to include voided, cleared and external payments.
- *Calculate Retroactive Costing* flow recalculates costs for retroactive changes to costing.
- *Cost Adjustments* are corrective actions applied to the payroll run costing result and, based on the payroll run, to reports and calculations.
- *Calculate Partial Period Accruals* flow calculates costs for a pay period that overlaps two accounting periods to create accrual entries for partial pay.
- *Transfer to Subledger Accounting* flow transfers payroll costs to subledger accounting (SLA) for review, reports and posts to the General Ledger.
- *Reverse Transfer to Subledger Accounting* flow reverses the payroll subledger accounting entries that were posted in final mode using the Create Accounting process.

Setup Tasks and Considerations

Set up enterprise structures, legal entities, and organizations to create and maintain information related to people, employment, and work structures. The setup also includes tasks to define payroll business objects required for processing and costing payroll, processing payments, and generating statutory reports.

Use this table of setup tasks to plan your implementation of payroll and payroll costing for your business requirements.

Payroll	Description
Cost Accounting	Legal entities, legal reporting units, tax reporting units, payroll statutory units, legal authorities, legal registrations and jurisdictions, and legal authorities.

Payroll	Description
Cost and Profit Planning	Organization structures, business units, and organization models that best suit your business process.
Landed Cost Management	Configure elements and formulas to record earnings and deductions for processing payroll and reporting.
Project Costing Base	Define payroll objects and payment methods required for payroll calculations and reporting, and processing and making payments.

Payroll Costing Setup

Use Payroll Costing and Cost Allocation setup tasks to configure key flexfields, value sets, descriptive flexfields, messages and other costing structures.

Start your implementation of Global Human Resources Cloud Payroll Costing as a user with the Application Implementation Consultant role (ORA_PAY_APPLICATION_IMPLEMENTATION_CONSULTANT_JOB). Refer to the Functional Setup Manager guide to manage the opt-in and setup of your offerings.

You typically set up costing during your initial payroll implementation. As new objects, such as payrolls, departments and jobs are added, you may have additional configuration but only at the costing level.

- Costing setup may use person-specific data, such as a department or a legislative area like state, county or city, referred to as contexts.
- Unique costing for a person or an element entry may be entered on an as needed basis during regular payroll processing.

Refer to the Administering Global Payroll Costing guide in the Oracle Help Center for details about implementing and administering payroll costing.

Related Topics

- Overview of Payroll Flows
- About This Administering Global Payroll Costing Guide
- How Payroll Costing Components Integrate with Other Applications
- How Distributed Costing Is Calculated
- Payroll Costing Results Report

Element Eligibility and Costing for Canada

Costing is the financial accounting of your payroll costs. Use element eligibility to determine which people are eligible for an element.

This table lists the elements you must define element eligibility for costing. Define eligibility for these elements, as they are used to create the element entries.

Primary Classification	Secondary Classification	Element Generated from Template	Input Values
Standard Earnings	All secondary classifications	<User Element> Results	Earnings
Supplemental Earnings	All secondary classifications	<User Element> Results	Earnings
Taxable Benefits	All secondary classifications	<User Element> Results	Earnings
Nonpayroll Payment	All secondary classifications	<User Element> Results	Earnings
Pretax Deductions	All secondary classifications	<User Element> Results	Pay Value
Employee Tax Deductions	All secondary classifications	<Seeded Element>	<Tax> Withheld
Employer Liabilities	All secondary classifications	<User Element>	Pay Value
Involuntary Deductions	All secondary classifications	<User Element> Results	DeductionsCalculated
Involuntary Deductions	All secondary classifications (Fees)	<User Element> Organization Fee Results	FeeCalculated
Involuntary Deductions	All secondary classifications (Fees)	<User Element> Person Fee Results	FeeCalculated
Involuntary Deductions	All secondary classifications (Fees)	<User Element> Processing Fee Results	FeeCalculated
Voluntary Deduction	All secondary classifications	<User Element> Results	Pay Value

Employee and Employer Tax Elements

Cost the following predefined employee and employer tax elements.

Primary Classification	Input Values
Canada Pension Plan Employee Taxes	Canada Pension Plan Withheld / Canada Pension Plan Not Taken
Canada Pension Plan Employer Taxes	Canada Pension Plan Liability
Employment Insurance Employee Taxes	Employment Insurance Withheld / Employment Insurance Not Taken
Employment Insurance Employer Taxes	Employment Insurance Liability
Federal Supplemental Taxes	Federal Supplemental Withheld
Federal Taxes	Federal Withheld / Federal Not Taken
Provincial Medical Adjustment Results	Provincial Medical Liability
Provincial Medical Results	Provincial Medical Liability
Provincial Supplemental Taxes	Provincial Supplemental Withheld
Provincial Taxes	Provincial Withheld / Provincial Not Taken

Quebec Labour Standards Results	Quebec Labour Standards Liability
Quebec Parental Insurance Plan Employee Taxes	Quebec Parental Insurance Plan Withheld / Quebec Parental Insurance Plan Not Taken
Quebec Parental Insurance Plan Employer Taxes	Quebec Parental Insurance Plan Liability
Quebec Pension Plan Employee Taxes	Quebec Pension Plan Withheld / Quebec Pension Plan Not Taken
Quebec Pension Plan Employer Taxes	Quebec Pension Plan Liability
Territorial Payroll Tax Supplemental Taxes	Territorial Payroll Tax Supplemental Withheld
Territorial Payroll Taxes	Territorial Payroll Tax Withheld / Territorial Payroll Tax Not Taken
Vacation Liability Adjustment Results	Vacation Liability
Vacation Liability Results	Vacation Liability
Workers Compensation Adjustment Results	Workers Compensation Liability
Workers Compensation Results	Workers Compensation Liability