

Department of Accounts

Payroll Bulletin

Calendar Year 2013

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Volume 2013-02

*In This Issue of
the Payroll
Bulletin.....*

- ✓ **VRS Automated Reconciliation Process**
- ✓ **Interpreting the Automated Reconciliation Reports**
- ✓ **How to Process the Automated VRS Reconciliation**

The Payroll Bulletin is published periodically to provide CIPPS agencies guidance regarding Commonwealth payroll operations. If you have any questions about the bulletin, please call Cathy McGill at (804) 371-7800 or Email at cathy.mcgill@doa.virginia.gov

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VRS Automated Reconciliation Process

Overview

As mentioned in previous payroll bulletins, a new automated reconciliation process for VRS deductions has been developed. The first reconciliation will be processed for the month of October. However, because access to MyVRSNavigator (VNAV) will be phased in, **the initial reconciliation reports will not be run until after all CIPPS agencies have access to VNAV**. State Payroll Operations will notify agencies of the anticipated run date when that information becomes available.

Monthly Contribution Snapshot

VRS has communicated with agencies regarding the new tasks/roles that line agencies will perform in VNAV. One of these tasks is the monthly creation of a "Contribution Snapshot". The Contribution Snapshot is a complete listing of employee and employer contributions due to VRS for the month based on the creditable compensation reported to VRS for each employee.

CIPPS agencies will report creditable compensation to VRS in one of the following ways:

- **PMIS Agencies:** A daily log file is sent to VRS reporting employment status, job information and salary changes. VNAV will interpret those changes and update the creditable compensation according to the new VRS Modernization rules.
- **Non-PMIS Agencies:** Update VNAV directly through manual updates to VNAV or electronic file feeds to VRS from an in-house system.

Once the initial monthly Contributions Snapshot is generated, agencies need to perform a review and correct any errors, including retroactive adjustments to creditable compensation.

The line agency must certify the Contributions Snapshot by the 10th of the following month. The Contribution Snapshot becomes the official basis for the VRS billing amount once the Snapshot has been certified. An automated IAT will be produced to charge or credit the agency where CIPPS activity does not match the VRS bill.

VRS Automated Reconciliation Process, continued

VRS Automated Recon Reports

The VRS automated reconciliation is divided into five individual reports. This is because the reconciliation reviews the activity for employee and employer retirement contributions, Group Insurance, Retiree Credit/(Health Insurance Credit) and Long Term Disability(VSDP). The reports are described below and an example of each report follows on the next few pages.

- **Report U170 – Plan Related Benefits - Employer Retirement and VSDP/(LTD) –** Compares the amount certified on the monthly Contributions Snapshot for Employer Retirement contributions and VSDP/(Long Term Disability) contributions to the amount collected in CIPPS for each employee. If the difference between the two amounts is greater than .05 cents, an automated IAT will be generated for the amount. The report is broken down by VRS Org Code (Retirement Plan) and lists each employee with a discrepancy.
- **Report U171 – Non Plan Related Benefits – Employer Group Life and Health Insurance (Retiree Credit) -** Compares the amount certified on the monthly Contributions Snapshot for Employer Group Life premiums and Retiree Credit (HIC) contributions to the amount collected in CIPPS for each employee. If the difference between the two amounts is greater than .05 cents, an automated IAT will be generated for the amount. The report is broken down by VRS Org Code (Retirement Plan) and lists each employee with a discrepancy.
- **Report U172 – Employee Contributions –** Compares the amount certified on the monthly Contributions Snapshot for the member portion of retirement contributions and Buyback (Service Purchase) Agreements to the amount collected in CIPPS for each employee. If the difference between the two amounts is greater than .05 cents, an automated IAT will be generated for the amount. The report is broken down by VRS Org Code (Retirement Plan) and lists each employee with a discrepancy.
- **Report U173 – CIPPS Activity for Employees Not on VRS Monthly Snapshot File –** This report will reconcile CIPPS dollars that were collected during the month for employees that are not on the monthly Contributions Snapshot from VRS (eg., when a void check processes in the month after an employee terminates). The report is broken down by VRS Org Code (Retirement Plan) and lists each employee with a discrepancy.
- **Report U174 – VRS Recon Billing Summary –** This report summarizes the activity detailed on the U170, U171, U172 and U173 by VRS Org Code (Retirement Plan) and object code. Included is a total of the VRS billing amount, a total of the CIPPS amount collected and the difference. In addition, a summary of the automated IAT charges is shown.

Continued on next page

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF ACCOUNTS

REPORT U170 PAYR1310
RUN ON 12/12/2012 AT 14:30:21
PAGE 173

VRS AUTOMATED RECON (PLAN RELATED BENEFITS)
EMPLOYER RETIREMENT AND VSDDP/(LTD)

BILLING MONTH: OCTOBER 2012

ERROR CODE	EIN	NAME	CIPPS PLAN CODE	VRS PLAN CODE	VRS ER RETIREMENT BILL AMOUNT	CIPPS RR RETIREMENT	EMPLR RET CREDIT(-) CHARGE(+)	VRS LTD BILL AMOUNT	CIPPS LTD AMOUNT	VSDDP CREDIT(-) CHARGE(+)
2										
1,2			R	VS	210.50	544.98	334.48-	0.00	32.00	32.00-
1,2			B	VN	197.62	511.62	314.00-	7.31	29.24	21.93-
2			M	VS				6.86	27.46	20.60-
1,2			C	VS				0.00	24.80	24.80-
1,2			M	VS	202.41	524.04	321.63-	0.00	29.56	29.56-
1,2			K	VS	234.73	607.70	372.97-	7.03	28.12	21.09-
3			A	VS				8.14	32.60	24.46-
1,2			R	VN	214.61	555.56	340.95-	7.46	29.80	22.34-
1,2			S	VS	198.37	513.56	315.19-	6.89	27.56	20.67-
1,2,3			S	VS	456.12	0.00	456.12	24.47	0.00	24.47
1,2,4			C	FN	614.68	243.67	371.01	16.34	13.07	3.27
1,2,4			R	FI	381.89	190.95	190.94	20.49	10.24	10.25
1,2			L	VS	249.04	644.76	395.72-	8.64	34.60	25.96-
1			G	VS	701.82	467.88	233.94			
1,2			C	VN	210.81	545.74	334.93-	7.32	29.28	21.96-
1,2,3			K	VN	220.07	0.00	220.07	11.81	0.00	11.81
1			K	VN	584.90	389.92	194.98			
1,2			D	VN	203.26	526.22	322.96-	7.05	28.24	21.19-
ORG CODE EXCEPTION TOTALS							1,385.77-			236.76-
AGENCY EXCEPTION TOTALS							1,385.77-			236.76-

CO. NO. [REDACTED]

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF ACCOUNTS

REPORT U171 PAYB1320
RUN ON 11/30/2012 AT 10:19:37
PAGE 15

VRS AUTOMATED RECON (NON PLAN RELATED BENEFITS)
EMPLOYER GROUP LIFE AND HEALTH INSURANCE (RETIREE) CREDIT

BILLING MONTH: OCTOBER 2012

AGENCY [REDACTED]
ORG CODE - 3-0 [REDACTED]
ERROR CODE EIN NAME
5,6 [REDACTED] 7900

ORG CODE	EXCEPTION TOTALS	VRS GROUP LIFE BILL AMOUNT	CIPPS MTD GROUP LIFE MTD	GROUP LIFE CREDIT(-) CHARGE(+)	OBJ 1114	VRS HIC BILL AMOUNT	CIPPS RETIREE CREDIT MTD	HIC CREDIT(-) CHARGE(+)	OBJ 1116
	41.95		0.00	41.95		35.25	0.00	35.25	
	41.95			41.95				35.25	
	41.95			41.95				35.25	

CO. NO. [REDACTED]

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF ACCOUNTS

REPORT U172 PAYR1330
RUN ON 11/30/2012 AT 10:19:38
PAGE 35

VRS AUTOMATED RECON
EMPLOYEE CONTRIBUTIONS

BILLING MONTH: OCTOBER 2012

AGENCY	ORG CODE - 3-	ETIN	NAME	VRS PRETAX INDICATOR	VRS BUYBACK BILL AMOUNT	VRS EMPLOYEE RETIREMENT	CIPPS MTD BUYBACK	CIPPS MTD EE RETIREMENT	EMPL CONTRIB CREDIT(-) CHARGE(+)
A-	0	0000	ADON	Y		115.50		118.39	2.89-
B-	0	900		Y		427.70		449.09	21.39-
	0	900		Y		239.10		251.06	11.96-
C-	0	800		Y	137.17		68.58	251.66	68.60
	0	00		Y		234.11		547.74-	17.55-
	0	600		Y		182.57		0.00	730.31
	0	900		Y		204.75		0.00	204.75
	0	900		Y		139.32		0.00	139.32
	0	900		Y		382.89		434.66	51.77-
	0	000		Y		216.67		0.00	216.67

ORG CODE EXCEPTION TOTALS
AGENCY EXCEPTION TOTALS

1,254.09
1,254.09

CO. NO. [REDACTED]

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF ACCOUNTS

REPORT 0173 PAYR1340
RUN ON 11/30/2012 AT 10:19:42
PAGE 17

AGENCY [REDACTED]

ORG CODE - 3-0 [REDACTED]

VRS AUTOMATED RECON
CIPPS ACTIVITY FOR EMPLOYEES NOT ON VRS MONTHLY SNAPSHOT FILE
BILLING MONTH: OCTOBER 2012

EIN	NAME	RETIREMENT PLAN	EMPLR RETIRE DED 12	BOYBACK DED 17 & 43	EMPLR RETIRE (RETIRE) DED 116 & 127	HEALTH INS (CREDIT)/CHRG (CREDIT)/CHRG (CREDIT)/CHRG (CREDIT)/CHRG (CREDIT)/CHRG (CREDIT)/CHRG (CREDIT)	GROUP INS DED 120	VSDP(LTD) DED 136 & 144
[REDACTED]	FOX	G VN	176.24	0.00	308.78	35.24	41.94	16.56
AUTOMATIC INTS GENERATED			(CREDIT)/CHRG 1111	(CREDIT)/CHRG 1111	(CREDIT)/CHRG 1111	(CREDIT)/CHRG 1116	(CREDIT)/CHRG 1114	(CREDIT)/CHRG 1117
TOTAL UNBILLED CIPPS DOLLARS			176.24-	0.00	308.78-	35.24-	41.94-	16.56-

CO. NO. [REDACTED]

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF ACCOUNTS

REPORT 0174 PAYH1350
RUN ON 11/30/2012 AT 10:19:50
PAGE 22

AGENCY [REDACTED]

VRS AUTOMATED RECON
VRS BILLING SUMMARY
BILLING MONTH: OCTOBER 2012

ORG CODE

BENEFIT TYPE

OBJECT CODE VRS BILL AMT AMT COLLECTED DIFFERENCE (CRDT)/CHARGE ROUNDING
AUTOMATED IAT NON BILLED

NON-BILLED CIPPS ACTIVITY
EMPLOYER RETIREMENT CONTRIBUTIONS

VSDP LTD
GROUP LIFE
RETIRE CREDIT
EMPLOYEE RETIREMENT CONTRIBUTIONS

1111 0.00 308.78 308.78- 308.78- 0.00
1117 0.00 16.56 16.56- 16.56- 0.00
1114 0.00 41.94 41.94- 41.94- 0.00
1116 0.00 35.24 35.24- 35.24- 0.00
1111 0.00 176.24 176.24- 176.24- 0.00

BILLED VRS ACTIVITY
EMPLOYER RETIREMENT CONTRIBUTIONS

VSDP LTD
GROUP LIFE
RETIRE CREDIT
EMPLOYEE RETIREMENT CONTRIBUTIONS

1111 10,662.60 10,353.80 308.80 308.78 0.02
1117 553.16 555.52 2.36- 2.35- 0.01-
1114 1,640.83 1,598.92 41.91 41.95 0.04-
1116 1,378.87 1,343.68 35.19 35.25 0.06-
1111 6,335.97 6,159.76 176.21 176.25 0.04-

TOTAL

EMPLOYER RETIREMENT CONTRIBUTIONS 1111 10,662.60 10,662.58 0.02 0.00 0.02
VSDP LTD 1117 553.16 572.08 18.92- 18.91- 0.01-
GROUP LIFE 1114 1,640.83 1,640.86 0.03- 0.01 0.04-
RETIRE CREDIT 1116 1,378.87 1,378.92 0.05- 0.01 0.06-
EMPLOYEE RETIREMENT CONTRIBUTIONS 1111 6,335.97 6,336.00 0.03- 0.01 0.04-

Interpreting the Automated Reconciliation Reports

Report U170 – Employer Retirement and VSDP/LTD – The following descriptions will help you interpret the activity shown on Report U170 – using the sample Report U170 provided on page three of this Bulletin.

- **Org Code** – this is the five-digit Employer Organization Code used by VRS. The agency number is found in the last 3 digits of the Organization Code and the first digit of the Organization Code designates the retirement plan as follows:
 - **1 – Judicial Retirement Plan**
 - **2 – SPORS Retirement Plan**
 - **3 – VRS Retirement Plan**
 - **7 – VALORS Retirement Plan**
- **Error Code** – Code numbers are printed for each exception to help you understand the reason for the exception. There are four possible error codes on this report:
 - **1 – Employer Retirement Amount Difference** – a difference of more than .05 cents exists for this employee between the amount of Employer Retirement on the VRS Snapshot and the amount of CIPPS dollars collected during the month for deduction numbers 116 and 127. In the sample report provided, you will see that \$210.50 was billed for Employee A’s Employer Retirement contributions, and \$544.98 was collected in CIPPS for ER Retirement. This created a difference of more than .05 cents, so an automated IAT will be generated for object code 1111 as a “Credit” to the agency for \$334.48.
 - **2 – VSDP/LTD Amount Difference** - a difference of more than .05 cents exists for this employee between the amount of VSDP/LTD on the VRS Snapshot and the amount of CIPPS dollars collected during the month for deduction numbers 136 and 144. In the sample report provided, the VRS Snapshot had zero dollars for the VSDP/LTD Contributions of Employee B. CIPPS dollars were collected for VSDP/LTD contributions in the amount of \$24.80 in error. Because the difference is greater than .05 cents, an automated IAT will be generated for object code 1117 as a “Credit” to the agency for \$24.80.
 - **3 – CIPPS Plan Code Error** – the retirement plan code on HMCU1 in CIPPS is not appropriate for the retirement plan presented on the VRS Snapshot. In the sample report provided, the VRS Snapshot for Employee C has a retirement plan code of “VS”, but the retirement plan code in CIPPS is blank. As long as the amount collected in CIPPS agrees with the amount billed, this error will not produce an automated IAT. Agencies should have the incorrect retirement plan code corrected in the appropriate system to avoid an exception in the future.
 - **4 – VSDP/LTD Deduction Code Error** – the deduction number used in CIPPS on H0ZDC is not appropriate for the retirement plan code presented on the VRS Snapshot. In the sample report provided, CIPPS had a retirement plan code of “FN” for Employee D which is not appropriate for deduction number 136. Agencies should take the necessary action so that the appropriate deduction code is used in CIPPS according to the correct Retirement Plan code.

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Interpreting the Automated Reconciliation Reports, continued

Report U171 – Employer Group Life and Health Insurance (Retiree) Credit – The following descriptions will help you interpret the activity shown on Report U171 – using the sample Report U171 provided on page four of this Bulletin.

- **Org Code** – this is the five-digit Employer Organization Code used by VRS. The details of the Org Code are provided in the Report U170 descriptions above.
NOTE: The Group Life and Retiree Credit contributions are reconciled for ORP Plan employees on this report under Org Code “3”.
- **Error Code** – Code numbers are printed for each exception to help you understand the reason for the exception. There are two possible error codes on this report:
 - **5 – Group Life Difference** – a difference of more than .05 cents exists for this employee between the amount of Group Life on the VRS Snapshot and the amount of CIPPS dollars collected during the month for deduction number 120. In the sample report provided you will see that \$41.95 was billed for the employee’s Group Life contributions, and no money was collected in CIPPS for Group Life. This created a difference of more than .05 cents, so an automated IAT will be generated for object code 1114 as a “Charge” to the agency for \$41.95.
 - **6 – HIC/Retiree Credit Difference** - a difference of more than .05 cents exists for this employee between the amount of HIC/Retiree Credit on the VRS Snapshot and the amount of CIPPS dollars collected during the month for deduction number 115. In the sample report provided, you will see that \$35.25 was billed for the employee’s HIC/Retiree Credit contributions, and no money was collected in CIPPS for Retiree Credit. This created a difference of more than .05 cents, so an automated IAT will be generated for object code 1116 as a “Charge” to the agency for \$35.25.

Report U172 – Employee Contributions – The following descriptions will help you interpret the activity shown on Report U172 – using the sample Report U172 provided on page five of this Bulletin.

- **Org Code** – this is the five-digit Employer Organization Code used by VRS. The details of the Org Code are provided in the Report U170 descriptions above.
- **Error Code** – Code numbers are printed for each exception to help you understand the reason for the exception. There are three possible error codes on this report:
 - **7 – Buyback Difference** – a difference of more than .05 cents exists for this employee between the amount of Buyback (Service Purchase) on the VRS Snapshot and the amount of CIPPS dollars collected during the month for deduction numbers 17, 18, 43 and 44. On the sample report provided, the VRS Snapshot File has billed the agency for \$137.17 of Buyback contributions for Employee C; however, CIPPS collections for Buyback contributions were only \$68.58. This exception generated an automated IAT for object code 1111 in the amount of \$68.60 to “Charge” the agency for the missing contributions. (Notice that the amounts for employee retirement for Employee C are not listed because they are in balance.)

Continued on next page

Interpreting the Automated Reconciliation Reports, continued

Report U172 – Employee Contributions, continued

- **8 – Employee (Member) Contributions Difference** - a difference of more than .05 cents exists for this employee between the amount of member contributions on the VRS Snapshot and the amount of CIPPS dollars collected during the month for deduction number 12. In the sample report provided you will see that \$115.50 was billed for Employee B’s member retirement contributions, and \$118.39 was collected in CIPPS. This created a difference of more than .05 cents, so an automated IAT will be generated for object code 1111 as a “Credit” to the agency for \$2.89.
 - **9 – Pretax Indicator Error** – the CIPPS deduction number used to collect the Buyback (Service Purchase) amount is not appropriate according to the VRS Snapshot pretax indicator. On the sample report provided, Employee A has a pretax indicator of “Y” according to the VRS Snapshot which indicates that the employee requested a pre-tax deduction. The correct amount was collected in CIPPS and no difference exists (which is why there are no amounts listed); however, the money was collected using CIPPS Deduction Number 17 which is established as a post tax deduction in CIPPS. The agency will need to correct the deduction number by entering a correct retirement code on HMCU1 and may need to correct the employee’s tax record to insure the appropriate tax treatment is applied to the deductions.
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Report U173 – CIPPS Activity for Employees Not on VRS Monthly Snapshot File

The following descriptions will help you interpret the activity shown on Report U173 – using the sample Report U173 provided on page six of this Bulletin.

- **Org Code** – this is the CIPPS equivalent of the five-digit Employer Organization Code used by VRS. The details of the Org Code are provided in the Report U170 descriptions above.
 - **Exceptions** – Exceptions are displayed on this report if there are CIPPS dollars and the employee was not on the VRS Snapshot for that month under that particular Org Code. All of the CIPPS dollars that exist on this report will generate an automated IAT for each object code listed. Each month, the CIPPS dollars are forced to equal the amount billed on the VRS Snapshot. Therefore, when CIPPS dollars are recorded in a month in which the employee is NOT included on the Snapshot, the money must either be returned or charged (when CIPPS amounts are negatives) to the agency. On the sample report provided there were funds collected during the month of October for the employee, but the employee was not included on the VRS Snapshot in that Org Code. The report shows the individual object codes that will be credited via automated IAT.
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Interpreting the Automated Reconciliation Reports, continued

Report U174 – VRS Billing Summary – The following descriptions will help you interpret the activity shown on Report U174 – using the sample Report U174 provided on page seven of this Bulletin.

- **Non-Billed CIPPS Activity** – This section of the report summarizes the activity that occurred for the agency on Report U173 at the Org Code level. The VRS bill amount is shown for each object code along with the amount collected in CIPPS and a difference is computed. In the next column, the amount of the automated IAT is shown. Notice that the amounts generated for the automated IATs may be slightly different than the computed difference column. This is because differences that are less than .05 cents do not generate an automated IAT. The percentages calculated in VNAV can vary slightly from those calculated in CIPPS. Therefore, VRS has provided a .05 cent tolerance for rounding. The non-billed rounding amount is shown in the last column.
 - **Billed VRS Activity** - This section of the report summarizes the activity that occurred for the agency on Reports U170, U171, and U172 at the Org Code level. The VRS bill amount is shown for each object code along with the amount collected in CIPPS and a difference is computed. In the next column, the amount of the automated IAT is shown. Notice that the amounts generated for the automated IATs may be slightly different than the computed difference column. This is because differences that are less than .05 cents do not generate an automated IAT. The percentages calculated in VNAV can vary slightly from those calculated in CIPPS. Therefore, VRS has provided a .05 cent tolerance for rounding. The non-billed rounding amount is shown in the last column.
 - **Agency Total** – The Non-Billed and Billed sections are totaled for a summary at the agency level of the VRS amounts billed, CIPPS amounts collected and the total dollar amounts of the automated IATs generated for the agency by object code.
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How to Process the Automated VRS Reconciliation

Step 1 – Generate and Certify the Monthly Contribution Snapshot in VNAV

VRS has provided online training seminars on their website to aid in this part of the process. Each agency should have designated personnel to serve as the “Snapshot Processor 2” in VNAV. Preferably, this person is someone in HR to ensure adequate separation of duties between authorization and payment.

PMIS files will be sent to VRS daily and those files will update the employee’s creditable compensation basis in VNAV according to the status information that is keyed in PMIS. For Non-PMIS agencies, HR should communicate status changes to VRS directly.

Careful review of the monthly Contributions Snapshot is critical to the accuracy of the automated reconciliation. The Snapshot Processor should generate and review the billing file and correct any discrepancies found in VNAV. Transactions from PMIS (or other means, if non-PMIS agency) that were rejected in VNAV because of a data conflict (such as the birth date) will be included on the “Cancelled Record Report” produced by VRS for the agency. Agencies should correct these items before certifying the Snapshot using the “Correction” process as noted in the VNAV training provided by VRS.

The Snapshot should be certified by the agency no later than the 10th of the month following the month being certified. The CIPPS dollars collected for that month will be forced to reconcile to the amount billed from the Snapshot through the automated IAT. If an error is detected on the monthly Contribution Snapshot after the month has been certified, retroactive adjustments can be made in VNAV in the next month to correct the amounts charged or credited .

TIP: PMIS agencies may want to consider using the E480 Workforce Query Tool in HuRMan to produce a report of existing salaried employees along with their annual salary and leave begin and end dates for the certification period. Divide the annual salary in PMIS by the number of employee months in PMIS. Compare that to the creditable compensation amount on the monthly Contributions Snapshot to ensure the amount is correct before it is certified, Remember that only those status changes that occurred on the first working day of the month will affect the creditable compensation for the employee in that month.

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How to Process the Automated VRS Reconciliation, continued

- Step 2 – Review the VRS Automated Reconciliation Reports**
- After the 10th of each month, DOA will receive the monthly Contribution Snapshot file from VRS and will run the VRS Automated Reconciliation reports detailed earlier in this bulletin.
- Agencies should review the exceptions printed on Reports U170, U171, U172 and U173 and make the appropriate corrections as follows:
- If the VRS billing amount is not correct – Contact HR and have them correct PMIS and/or VNAV. The following month’s monthly Contribution Snapshot should have the appropriate retroactive adjustments included along with the current billing amounts.
 - If the CIPPS Amount is not correct for **employer charges** shown on reports U170, U171 and U173 – the automated IAT will charge or credit the agency’s default GL coding (same coding used in the automated Healthcare Reconciliation) for the appropriate object code as shown on the reports. To reconcile the CIPPS employer amounts collected agencies can choose to:
 - Collect or refund the employer amounts from the appropriate deductions in CIPPS the following month. This action will cause a reversal of the original automated IAT transaction and as such the default GL coding will clear itself out for that particular entry.
 - Leave the charge/credit generated by the automated IAT in the agency’s default GL coding and process an ATV to move the charge from the default coding to the GL coding appropriate for that employee.
 - If the CIPPS amount is not correct for **employee charges** shown on Report U172 or Report U173 - the automated IAT will charge or credit the agency’s default GL coding (same coding used in the automated Healthcare Reconciliation) for object code 1111. To reconcile the CIPPS employee amounts collected, agencies must collect or refund the employee as appropriate. As stated before, line agencies are not allowed to pay the employee’s contribution of retirement or buyback amounts. These amounts must be refunded or collected through CIPPS as soon as funds are made available. These amounts can be collected outside of payroll only in those instances where the employee terminated or transferred and there are no more funds due the employee from the billing agency. ([See VRS Modernization Working Example Y for more information.](#))
-

- Step 3 – Frequently Reconcile the Agency Default GL Account**
- Line agencies should frequently review the activity in the default GL account for object codes 1111, 1114, 1116, and 1117. Unlike the automated Healthcare Reconciliation, the VRS automated reconciliation generates both credit and charge IAT transactions and retroactive adjustments will process for previous months. If reconciliations and adjustments have been performed correctly, the amounts credited/charged over time should have a net effect on these object codes.
-