

# *Department of Accounts*

## *Payroll Bulletin*

Calendar Year 2023

May 19, 2023

Volume 2023-02

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✓ **Payroll Processing – FYE 2023**

The Payroll Bulletin is published periodically to provide Cardinal HCM payroll agencies guidance regarding Commonwealth payroll operations. If you have any questions about the bulletin, please email payroll@doa.virginia.gov.

State Payroll Operations

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### **PAYROLL PROCESSING - FISCAL YEAR-END**

#### **Introduction**

This Payroll Bulletin addresses payroll processing for Fiscal Year End 2023, Fiscal Year 2024 and benefit rates (including healthcare rate tables). Please provide a copy of this bulletin to all appropriate personnel within your agency.

#### **Key Payroll Operations Dates for June 2023**

- **June 9** – Confirmation of VRS Snapshot for May due.
- **June 12** – Semi-monthly salary confirmation for **PPE 6/9**.
- **June 13** – Bi-weekly wage confirmation for **check date 6/16**.
- **June 15** – Semi-monthly Off Cycle confirmation for **check date 6/20**; paysheets for 6/10 – 6/24 pay period created.
- **June 16** - Healthcare reconciliations and related ATAs due to DOA for the May coverage month.
- **June 20** – Bi-weekly wage Off Cycle confirmation for **check date 6/21**; bi-weekly paysheets for pay date 6/30 created.
- **June 27** – Bi-weekly wage confirmation for **check date 6/30. Will be charged to FY 23.**
- **June 27** - Semi-monthly salary confirmation for **PPE 6/24, check date 7/3. Will be charged to FY 24.**
- **June 28** – Bi-weekly wage GL Integration (expenditures posted to GL).
- **June 30** – Semi-monthly Off Cycle confirmation for **check date 7/5**; paysheets for 6/25 – 7/9 pay period created.

#### **Payroll Expenditures**

**The final wage payroll for FY 2023 will be confirmed on June 27. Expenditures will post to Cardinal FIN on June 28 and will be charged to FY 2023 without exception. Please ensure remaining appropriation will cover the expenditures. Expenditures should post on 6/28.**

**Salaried payroll expenditures for the June 10 - 24 pay period (July 3, 2023, payday) will be charged to FY 2024 without exception.** Expenditures will post to Cardinal FIN on July 3. Please ensure that Department and Position default funding is reviewed and updated if necessary, and that valid FY 2024 budget combinations exist in Cardinal FIN before the first FY 2024 payroll GL integration is run on July 3.

Additional information is available in the FYE Memo available on the General Accounting webpage:

[www.doa.virginia.gov/reference/generalAccounting/2023/2023\\_YE\\_Procedures\\_Memo.pdf](http://www.doa.virginia.gov/reference/generalAccounting/2023/2023_YE_Procedures_Memo.pdf)

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**PAYROLL PROCESSING - FISCAL YEAR-END**, continued

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**Default Coding** SPO continues to use default coding to process various transactions required to balance cash, etc. If you have changes to the default coding for FY 2024, please submit the GLI Default Coding form found under Miscellaneous Forms on the Payroll Forms webpage. Please ensure that the account has been properly established in Cardinal before submitting your change. Forms may be emailed to [payroll@doa.virginia.gov](mailto:payroll@doa.virginia.gov).

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**Financial Reporting – Attachment HE-6**

Each fiscal year, higher education institutions report employee and employer deduction amounts related to optional retirement plans (TIAA and the DC Plan) on Attachment HE-6, Optional Retirement Plans, as required by the Comptroller’s Directive for higher education institutions. This information is available in Cardinal HCM, if needed.

A deduction history for the fiscal year can be obtained by running a data query. Navigator-Reporting Tools – Query – Query Viewer. Select the V\_PY\_DED\_EXTRACT data query. Enter the check date range that is appropriate to capture the deductions made in the fiscal year, Employee Retirement DB as the Plan Type, and choose the appropriate deduction code for the ORP plan (or leave it blank and then filter on the ones you need).

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**Flexible Benefits for Plan Year 2023-2024**

Flexible benefit deductions (FLXDCR, FLXMED, FLXFEE) for the new plan year 2023-2024 have already been added to HCM with an effective date of 6/25/2023. Navigator – Benefits – Enroll in Benefits – Spending Accounts.

Retroactive deductions/refunds for the prior plan year must be entered using general deduction codes: FLXDPY, FLXMPY, FLXFPY. Refunds through payroll can only be made for deductions taken in the current calendar year.

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**Impact of Reversals on Flex Benefits by Plan Year**

Reversals requested for pay period ending 6/9 or 6/24 for employees with Flex deductions will require a balance adjustment in addition to the reversal. Reversals are posted to the balance records according to the check date for the period in which the reversal is actually processed. For example, reversals related to ppe 6/9 will be processed during ppe 6/24 which has a check date of July 3. The balance records for July and third quarter will reflect the reversal. As a result, the balance in the flex account for plan year beginning July 1, 2023, will be reduced by the deduction in the reversed payment, even though that deduction applied to the prior flex plan year. This will cause a recalculation of the employee’s flex deductions for the new plan year and may result in an incorrect deduction amount. To prevent the recalculation, a deduction balance adjustment must be submitted with the request for the stop payment/reversal to increase the amount in the current plan year deduction codes (FLXDCR, FLXMED, FLXFEE) and decrease the amount in the deduction codes for the prior plan year (FLXDPY, FLXMPY, FLXFPY).

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**PAYROLL PROCESSING - FISCAL YEAR-END**, continued

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**Refunds for  
Hybrid  
Forfeitures**

If, for any reason, there is a change in an employee's Hybrid plan during the Plan Year, the employee's contribution is refunded immediately. However, the agency's portion/contribution/cash match is held in a Forfeiture Account by MissionSquare and returned to the agency at the end of the plan year (which happens to be the same as FYE). Any interest that accrues during that time (June through May) is also given to the agency. MissionSquare normally informs DOA of the amount in the forfeiture account for each agency around the first week in June. In turn, DOA offsets the agency's last contribution (cash match) for the fiscal year (ppe 6/9) by the amount in the forfeiture account. The detail per employee is usually sent later in the month.

Agencies with forfeiture balances will see a credit to the default payroll account in Cardinal within a week of the June 16 pay date. Copies of the journal vouchers and details regarding employees affected will be sent as soon as the detail information has been received from MissionSquare. Differences between the actual amounts per employee and the amount returned result from dividends earned during this time.

**Please do not contact SPO to inquire whether or not your agency is impacted. You will be notified as soon as possible. To reiterate, this is the employer amount only and no further action is needed on the employee record.**

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**Operations  
Calendar**

Reminder – Monthly HCM Operations Calendars are posted on the State Payroll Operations webpage under **Important Documents**:

<https://www.doa.virginia.gov/reference/payroll/>