

Department of Accounts

Payroll Bulletin

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

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VRS Retirement Billing Recon – Hybrid Rate Separation

VRS Retirement Billing Recon

The VRS Retirement Billing Reconciliation process has been updated to comply with VRS' Hybrid Rate Separation, which was effective 7/1/2024, and to correct issues where incorrect VRS Org Codes were matched with unbilled payroll activity. Beginning with the July 2024 billing cycle:

- Hybrid Retirement Defined Benefit (DB) employer contributions for plans HVRMDB and HJRMDB will now be reconciled with the employer retirement amounts specified on the VRS billing file.
- Payroll amounts will be matched with the appropriate VRS Org Code for the deduction code, ensuring accuracy even if the VRS Org Code on the employee's Job record is different.

VRS Billing Details Query (RHR077)

This report has been updated to address existing issues and to provide additional information. Changes include:

- Business Unit is now an optional parameter, allowing users with access to multiple agencies to generate the report for a specific Business Unit.
- The issue where billed transactions were incorrectly matched with an agency/Business Unit different from the one on the billing file has been resolved.
- The report now includes all transactions on the billing file. For transactions not processed by Cardinal, an error indicator and error message are provided. Please note that transactions with errors were not included in previous versions of this report.
- New fields:
 - Bill Bus Unit (Business Unit derived from the Org Code on the billing file)
 - Cardinal VRS Org Code (Elig Fld 6 from Job)
 - Months-Pays (Elig Fld 8 from Job)
 - Grandfathered (Elig Fld 7 from Job)
 - Bill VRS Org Code (Org Code on the billing file)
 - Error Ind
 - Error Message
- Errors and Warnings that may appear on this report:
 - **Duplicate Employee ID, VRS Org Code, and Amounts** - To prevent double-billing, Cardinal has processed one transaction from the billing file and rejected duplicates.
 - **Employee Not Found** - Employee ID on billing file does not exist in Cardinal. Agency should:
 - Verify/correct Employee ID: Check and update the Employee ID in VNAV to ensure it matches the first 9 digits of the Cardinal Employee ID (e.g., 001234567)
 - Manual Reconciliation: Work with SPO to manually reconcile the employee's retirement election, and, if necessary, create a GL journal entry.
 - **Employee Not Found in Job** - The Employee ID on billing file matches a Person record in Cardinal but lacks a corresponding Job record for the specified agency/VRS Org Code. This may occur if VRS is sending a retroactive transaction for an employee who terminated before the Cardinal implementation, resulting in no converted Job record.
 - Manual Reconciliation: Work with SPO to manually reconcile the employee's retirement election, and, if necessary, create a GL journal entry.

VRS Retirement Billing Recon – Hybrid Rate Separation, cont.

**VRS Billing
Details Query
(RHR077),
cont.**

- **(Warning) Reconciling this Row - This row contains duplicate entries for the same Employee ID and Org Code and all amount data values in the input file and may result in double billing.** Cardinal has reconciled this transaction and rejected the duplicates.
- **(Warning) Elig Field 6 is blank; verify retirement elections.** Check the employee's Job and Retirement elections for accuracy. If you need assistance, please open a VCCC helpdesk ticket with "Cardinal HCM – Retirement Elections" in the subject of your email.

Navigation: Menu > Reporting Tools > Query Viewer > V_VRS_BILLING_REPORT

**VRS Billing
Exceptions
Report
(RHR078)**

This report is updated to reflect changes related to the VRS Hybrid Rate Separation and to include additional information. Key updates include:

- Starting with the July 2024 billing cycle, exceptions for the Hybrid Retirement Plan will now appear under the "Employee Retirement DB" section of this report. Previously, these exceptions were associated with the "Hybrid Retirement" section, which was tied to the 7V, Hybrid Retirement plan type that ended on 6/30/2024.
- The report now generates two pages for any Business Unit for which no VRS Billing Exceptions or VRS Billing Transaction Errors are detected. The Business Unit displays in the header to clearly indicate that no exceptions or errors were found for that agency.
 - When the report is run for a specific employee, a message including the Employee ID will appear if no exceptions are found.
- VRS Billing Transaction Errors - A new section has been added to the end of the report for each agency. This section lists transactions that Cardinal could not reconcile. Agency personnel are advised to review these transactions and take necessary actions. For further guidance, refer to the "Errors and Warnings" listed in the VRS Billing Details query section above.

Navigation: Menu > Benefits > Reports > VRS Billing Exceptions

**VRS Billing
Summary
Report
(RHR079)**

This report is updated for the VRS Hybrid Rate Separation and to provide additional information.

Key changes include:

- Starting with the July 2024 billing cycle, amounts previously shown under the "Hybrid Retirement Benefit" Plan Type will now be included in the "Employee Retirement DB" category for employees in the hybrid retirement DB plan. The "Hybrid Retirement" row will no longer appear in the report.
- VRS Billed Amounts Not Reconciled - A new section has been added to the end of the report. This section highlights any transactions on the VRS billing file that Cardinal was unable to reconcile. The total unreconciled amounts are listed by Business Unit and VRS Org Code, categorized by their expenditure accounts.

Navigation: Menu > Benefits > Reports > VRS Billing Summary

Continued on the next page

Other Retirement Reminders

VRS Org Codes

The VRS Org Code is a two-digit prefix with the first three digits of the agency Business Unit (e.g., 30151). On Job Data, the VRS Org Code is stored in Elig Fld 6 on the Benefit Program Participation page. The four (4) prefix values are:

- 11 – Judicial Retirement
 - Deductions: HJRMDB, JUDRET, JUDMDB, GRPLFJ, RETHCJ, PPSJDA, PPSJDB
- 21 – SPORS
 - Deductions: SPORS, GRPLFS, RETHCS, SDLTDS, PPSSPA, PPSSPB
- 70 – VALORS
 - Deductions: VALORS, GRLPFV, RETHCV, SDLTDV, PPSVLA, PPSVLB
- 30 – VRS (Elected Officials, Plan 1, Plan 2 & Hybrid) and ORPs
 - Deductions: ELOFCL, HVRMDB, VRSRET, GVRSP2, GRPLFR, RETHCR, SDLTDR, PPSRTA, PPSRTB

Hybrid Retirement DB Employer Contributions

Starting with paychecks dated after 7/1/2024, Cardinal began charging agencies the employer contribution (nontaxable) amount calculated for deduction code HVRMDB (VRS Hybrid Defined Benefit) and for deduction code HJRMDB (Judicial Hybrid Defined Benefit). These fixed rate contributions replace the “blended” employer contribution previously charged to agencies. Deduction codes HBDBER and HJDBER are no longer used and will not appear on reports for payrolls processed in Plan Year 2025 and later.

Plan Type 7V Description Change

Cardinal has updated the description for plan type 7V to “Hybrd Blend ER Rt”. Agencies will notice this new description in the following areas:

- On the Current Benefits Summary page for hybrid employees.
- In VRS Billing Exceptions and VRS Billing Summary reports run for months prior to July 2024

Additionally, through the end of 2024, a new description, “HyDBBlndRt”, will appear on earnings notices.

Other FAQs

1. How soon should I start deducting for the Hybrid Mandatory Defined Contribution (HVRMDC) deduction?

New hire information is sent to and from VNAV daily. Do not begin to withhold HVRMDC until you confirm that an enrollment has been received from VNAV; otherwise, the deductions may be rejected by Mission Square. The deduction should begin to process automatically once the deduction has been established.

2. How much should I deduct for the Hybrid Mandatory Defined Contribution (HVRMDC)?

Once the employee has been enrolled in the Hybrid Retirement Plan, the amount of the Hybrid Mandatory Defined Contribution deduction is based on the amount of the employee’s eligible earnings beginning with their actual hire date. The amount should be automatically calculated by the system.

3. Are Workers Comp and Short Term Disability benefits included in earnings subject to Mandatory and Voluntary Hybrid Defined Contributions?

Workers Comp is not included in earnings eligible for defined contribution benefits; however, Short Term Disability and LTD-Working are eligible earnings.

4. What should I collect on an employee who terms mid-month?

The defined benefit (VRS addl pay) should be doubled to collect for the full month; however, the defined contribution deductions should process only on the amount of eligible earnings in the current period.

Base Pay/RGS Comparison Report

Purpose

This report compares:

- The salaried base pay (RGS) in HR from the last confirmed payroll to the current payroll and
- The salaried base pay (RGS) between HR and Payroll.

There are two sections to this report. The Summary section (see below) shows the comparison totals for HR Data and Payroll Data. The Detailed section lists all employees that determined each of these totals.

Company: DOT VA Dept of Transportation
Run ID : SM1050924

Summary

HR Data

Total Salaried Base Pay Previous Period	:	24,359,087.68
Add New Employees	:	75,367.98
Minus Termed Employees	:	123,413.42
Add Salary Changes	:	11,574.23
Calculated Salaried Base Pay Current Period	:	24,322,616.47
Actual Salaried Base Pay Current Period	:	24,322,616.47
Difference	:	0.00

Payroll Data

Actual HR Salaried Base Pay as of Pay End Date	:	24,322,616.47
Employees with No Paycheck	:	-7,724.09
Payroll Auto Pay turned off	:	-260,513.06
Partial Pay for mid period Hires	:	0.00
Partial Pay for mid period Terms	:	12,710.26
Pay Rate Change mid period	:	-47,832.90
Calculated Base Pay Earnings for Payroll	:	24,019,256.68
Actual Base Pay Earnings for Payroll	:	24,019,256.68
Difference	:	0.00
Base Pay SPOT Adjustments to Payroll	:	-15,484.85
Calculated Total Base pay (Pay Earnings + SPOT)	:	24,003,771.83
Base Pay Total (RGA Accumulator)	:	24,003,771.83
Difference	:	0.00

HR Data

HR Data - This portion of the report looks at the employee compensation rate from the job data record. It compares the data from the job data record as of the last confirmed payroll to the current payroll.

- **Total Salaried Base Pay Previous Period** – totals the base compensation from the employee’s job data records as of the pay end date of the last confirmed payroll
- **Add New Employees** – totals pay for employees hired or rehired as of the current pay period. This includes employees hired with an effective date in the prior period after that payroll was confirmed
- **Minus Termed Employees** – totals pay for employees that have been terminated as of the current pay period. This includes employees terminated with an effective date in the prior period after that payroll was confirmed
- **Add Salary Changes** – totals pay for employees that had pay rate changes since the prior pay period pay end date. This includes salary changes entered with an effective date in the prior period after the payroll was confirmed
- **Calculated Base Pay Earnings** – Prior period total + Hires – Terms + Salary Changes
- **Actual Salaried Base Pay Current Period** – totals the base compensation from employee job records as of the pay end date of the current payroll

Note: There should be no differences found.

Note: HR transactions keyed after the Data Change Freeze will be included in the HR Data portion of this report. Certain transactions will not be pulled into payroll, therefore, will not be included in the Payroll Data portion.

Base Pay/RGS Comparison Report, cont.

Payroll Data

This portion of the report compares the employee compensation rate from their job record to the base pay on the current payroll.

Note: HR transactions keyed after the Data Change Freeze will be included in the HR Data portion of this report. Certain transactions will not be pulled into payroll, therefore, will not be included in the Payroll Data portion.

- **Actual HR Salaried Base Pay Current Period** – totals the base compensation from employee job data records as of the pay end date of the current payroll (pulled from the HR Data section)
- **Employees with No Paycheck** – totals pay for employees who are active as of the pay end date but have no check.
 - Employees on an unpaid leave status are considered active but do not receive base pay
 - A check was turned off by SPO
 - Pay docking removed the full amount of the base pay
- **Payroll Auto Pay turned off** – totals pay for employees that have auto pay turned off as of the pay end date.
- **Mid Period Hires** – totals pay for employees hired during the pay period. These employees will have a partial payment (i.e., their payroll reg pay will be less than their HR base pay)
- **Mid Period Terms** – totals pay for any employees termed during the pay period. These employees will have a partial payment (i.e., their payroll reg pay will be greater than their HR base pay)
- **Mid Period Rate Changes** – totals pay for any employees with a pay rate change effective during the pay period. These employees will have a partial payment (i.e., their payroll reg pay will be different from their HR base pay). This category includes active employees whose HR base pay differs from the amount of base pay on the paycheck for other reasons. In many cases the employee received a zero net check, but unlike the first category, these employees did receive a check.
- **Calculated Base Pay Earnings for Payroll** – Sum of the categories above to reflect the expected base pay that is included in the payroll.
- **Actual Base Pay Earnings for Payroll** – Sum of all base pay on the checks for the current payroll

Note: There should be no differences found.

- **Base Pay SPOT adjustments** – Sum of all SPOT adjustments to base pay (i.e., earning code RGS) entered during the pay period, regardless of begin and end date on the SPOT.
- **Calculated Total Base Pay (Pay Earnings + SPOT)** – Sum of the actual Base Pay Earnings for Payroll and the SPOT adjustments to RGS.
- **Base Pay Total (RGA Accumulator)** – Sum of all the base pay for the current payroll reflected in the RGA accumulator.

The Calculated Total Base Pay and the Base Pay Total can be compared to other payroll reports such as the COVA Payroll Register, COVA Payroll Summary Report or the Condensed Payroll Register. Note: There should be no differences found.

Coming Soon – Additional Shift Codes

**Shift 4 and
Shift 5**

Cardinal Time and Attendance will soon expand shift differential options by adding Shift 4 and Shift 5 to the timesheet. These new shift differentials will be available in addition to Shift 1, Shift 2, and Shift 3 for employees enrolled in shift differential.

Agencies currently using shift differentials will see the Shift 4 and Shift 5 options reflected on the employee timesheets. However, these new shift differentials will not be active until the agency implements them by submitting a ticket. If an employee selects an ineligible shift differential value, a timesheet exception will be generated by Time Administration.

To implement the newly added or existing shift values, **please submit a ticket** to initiate the process.
