PPMS Payroll Processing FAQs

1. What happens if we do not run PS1600J, Payroll History Archival?

Payroll History Archival tapes are kept by by year by the SBCTC-ITD. If your tape is not run at the same time as tapes from the other colleges, it will not be archived with tapes from the same time period. If you ever need the SBCTC-ITD to retrieve any payroll history data from the archived tape, the SBCTC-ITD may not be able to find the tape or retrieve your data.

2. What happens if we do not run PS1605J, Payroll History Purge?

The old payroll information will stay on the Payroll History database, using space that can be used for newer information and that may increase processing time. Check with the TSR (Technology Support Roundtable) representative from your college to see if there is enough space on your system to keep the old information.

3. When I made deduction adjustments on the Deduction Balance Adjustment Screen (PS1013), why did the balances I was trying to adjust increase instead of decrease?

To reduce a deduction balance, you must type a minus sign (-) before the dollar value in the amount field. Without the minus sign, PPMS considers the value to be positive and adds it to the deduction balance.

This screen is sometimes confused with the Deduction Adjustment Screen (PS1010). On the Deduction Adjustment Screen, the Deduction Type reduces a deduction amount if there is not a minus sign in the Deduction Amount field.

4. How do I know when to use federal tax exemption 98 and when to use 99?

The Federal Tax Exemption field is located on both the Student/Hourly Screen (PS0012) and the Payroll Information Screen (PS0014). The Federal Tax Exemption field is used in calculating federal withholding tax. Problems with the employee's W-2 processing will arise when the incorrect exemption code is used.

- **Exemption Code 98:**
  Exemption code 98 is used when an employee does not anticipate any tax liability. This code is used for anyone who has a valid social security number but probably will not make enough to pay federal income tax. A W-2 will be generated for these employees to use when filing their federal income tax. Student employees are one group that should correctly be assigned exemption code 98.
- **Exemption Code 99:**
  Exemption code 99 is used for citizens of other countries who are tax exempt in the United States. A treaty exists between the United States and other countries indicating whether the citizens of that country are tax exempt while working in the United States. An employee with a federal tax exemption of 99 will not have a valid social security number. A W-2 will not be generated for these employees.
- **Exemption Code 99 and W-2 Processing:**
  No federal tax gross is calculated for an employee with exemption code 99. This could cause problems in balancing your W-2's because the Total Gross YTD minus Federal Tax YTD equals Federal Tax Reductions YTD. This formula will reduce incorrectly to Total Gross YTD equals Federal Tax Reductions YTD when Federal Tax YTD equals 0 (zero). You can reconcile this by subtracting the Total Gross from the Federal Tax Reductions YTD for those employees with exemption code 99.

5. Can a regular employee put sick leave buyout pay into deferred compensation?

Yes, you can put an employee's sick leave buyout pay into a deferred compensation plan. The employee must be enrolled in a deferred compensation plan, and the contract must be signed one month prior to the date the sick leave buyout amount is paid.

How is this done and what deduction code do I use?

Use the Deduction Adjustments Screen (PS1010) to do a one time deduction. The Deduction Type is an O+ and the Deduction Code is 085 (Deferred Comp).

What if the employee is just beginning a deferred compensation plan. How do I set them up in the system for this deduction on a regular basis?

Use the Miscellaneous Deductions Screen (PS0006) to enter the employee's deferred compensation plan. The deferred compensation plans must be on the FMS Vendor Table (MM2001) before you enter them in PPMS.
top of page

6. In order to issue a check that exceeds the maximum gross pay, where do I find the maximum gross pay and how do I change it?

The maximum gross pay is defined on the Pay Frequency Table (PS9013). To access this screen, you must complete the Function, Screen, and Key 1 fields.

To change the maximum gross pay, in the Function field, type C (change). Type the new amounts in the Maximum Gross Pay and Maximum Net Pay fields, if applicable. **Note:** These are the only changes you may make on this screen.

Caution: If you are changing this because of a one-time large payment, after the payment is issued, you must return to the Pay Frequency Table (PS9013) and change the Maximum Gross Pay and Maximum Net Pay back to the original amounts.

7. How do I transfer expenses from the B00 account to an active job account?

It's important to understand not only HOW to do this transfer, but WHY expenses are in this account, as well as the purpose of the B00 account.

What is the B00 account and why do expenses sometimes get applied to this account?

The B00 account is a holding or "dummy" account within PPMS. The most common use of the B00 account is to pay necessary expenses even though an active employee may not have an active job account. For example, a part-time faculty member works fall, winter, and spring quarters but does not work summer quarter. The health insurance contribution is expensed to account B00 during the quarters that the employee does not have an active job account.

The reason that the B00 account does not have a subobject code is because Health, OASI, Medical Aid, Retirement and Industrial Insurance all have different subobject codes. The B00 account would lose its flexibility and ability to serve institutions with varying subobject codes if it assigned a subobject code to account B00. An expense transfer from account B00 to an active job account is a correction to FMS as well as PPMS. This correction is accomplished using a wide variety of subobject codes as long as the account transferred to is active and entered correctly in the account field.

To transfer the expenses:

1. On the Expense Transfer Screen (PS1011):
    In Key 1, type the employee's ID number.
    In Key 2, type the Transfer Number (the two-digit number that identifies the transaction).
    In Key 3, type the Payroll Schedule on which the transfer will occur.

2. Enter the pay period end date and the job class associated with the employee's expenses that are to be transferred.

3. In the TF field, type **T**

4. Enter the account code for the account to which the expenses are to be transferred.

5. Enter the appropriate amounts for Staff Months, Gross, OASI, Retirement, Medical Aid, Industrial Insurance, and Health expenses being transferred out of the account.

6. In the TF field, type **F**

7. Enter the account code for the account from which the expenses are being transferred.

   Subobject Code: If the expensed item is Health, OASI, Medical Aid, Retirement or Industrial Insurance, the B00 account code will not have a subobject code. The account code is not valid without a subobject code, and the transfer will not be completed.

   Use the subobject code you normally use for that employee type. For example, if the subobject code you use for part-time faculty is OH, then use that subobject code for account B00 expense transfer. In this case, the account line will read 7903001B00 - OH.

8. Enter the appropriate amounts for Staff Months, Gross, OASI, Retirement, Medical Aid, Industrial Insurance, and Health expenses being transferred into the account.

9. Press the Enter key.