Agency Entered Paycheck Adjustment Procedures

* A paycheck adjustment is where a correction should be processed to a paycheck created for an employee for a particular pay period.
* A paycheck adjustment does not stop the original paycheck from being issued and sent to the employee.
* The adjustment process will create either an additional check to the employee for additional hours or refund of taxes or deductions, or it will create an arrearage (ADJ earnings) for an overpayment of hours reported or increased taxes or deductions.
* An Agency Entered Adjustment is the transaction an agency processes on-line by requesting the adjustment on the Reverse/Adjust Paychecks page. A Centrally Entered Adjustment is processed by the Payroll Services Team when the agency submits a completed form DA-180, Paycheck Reversal/Adjustment/Supplemental. See instructions for requesting a Centrally Entered Adjustment. If an employee has a current Payroll Status of Leave of Absence (LOA), the employee must be returned from LOA with an effective date equal to, or before, the date of the off-cycle being processed in order for the prior period payable time to be loaded to payroll.
* There are some instances where an agency cannot process an On-line Adjustment to a paycheck. These include:
* You can process only one adjustment to an on-cycle paycheck or supplemental paycheck. If more corrections are needed for that pay period, the Payroll Services Team must process the additional transaction. The agency must submit a completed form DA-180, Paycheck Reversal/Adjustment/Supplemental.
* You cannot process both a supplemental and an adjustment for the same employee in the same off-cycle.
* You cannot process more than one adjustment for a specific employee in one off-cycle. If multiple pay periods are to be adjusted for the same employee, you will need to process each pay period in a separate off-cycle run.
* Adjustments for deduction arrearages or refunds that cover multiple pay periods may be sent to the Payroll Services Team for processing.  Agencies can process multiple paycheck adjustments for an employee; however, it will take several off-cycles to process them – one per off-cycle.  If sent to the Payroll Services Team on a DA-180 the adjustments can be processed in one or two off-cycles.
* A paycheck adjustment does not stop the original funding charges. Funding changes should be made by journal voucher in SMART.
* The pay group for an off-cycle adjustment will begin with "K" and the pay period end date showing on the list box of employee paychecks will be the last confirmed pay period end date. This will not necessarily be the pay period being adjusted.

**Adjustment Request Procedures - Timesheet Related Changes**

* Agency identifies that a paycheck should be adjusted, and that the agency can process the adjustment. See above list for transactions that cannot be processed by agencies. Review Common Errors listed below in order to avoid some of the most recurrent problems with adjustments.
* Find the Pay Period End Date, Paycheck Number, and the Paycheck Issue Date that requires the adjustment.
* On the Time and Labor Homepage > Reported Time Tile > Timesheet.
	+ Enter the Employee ID and any date within the pay period to be adjusted.
	+ Click on Get Employee button.
	+ Click on the employee name to pull up the timesheet.
	+ Make the necessary changes to the timesheet by adding or deleting hours and/or adding and deleting earnings rows.
	+ Click on Submit.
	+ When message "Submit was successful..." appears click on OK.
	+ If the employee reports time under Employee Self Services you will need to approve the reported time.
		- Select all
		- Approve Selected
	+ After Time Admin runs:
		- Go to Payroll Homepage > Payroll Processing > Payable Time.
		- Review and approve payable time.
		- If payable time does not display, review exceptions:
			* On the Time and Labor Homepage > Reported Time Tile > Exceptions
			* Make the necessary correction(s)
			* Review and approve time after the next Time Admin runs at 11am or 3:30p.
* Go to Payroll Homepage > Payroll Processing Tile > Off-Cycle Processing > Revers/Adjust Paychecks.
* Enter the run control "ADJ-ALL" and click on search. (You may need to Add A New Value if that run control does not yet exist for your operator ID.)
	+ The three boxes under the heading "Process Request Parameter(s)" should default the correct values unless this is your first time on this page under this run control. The values should be:
		- Company: "SOK"
		- Pay Group: either "KAA" for the first off-cycle of a payperiod, "KAB" for the second off-cycle of a pay period, or "KAC" for the third off-cycle of a pay period.
		- Pay Period End Date: The most recently confirmed on-cycle pay period end date. This date will not necessarily be the pay period end date of the paycheck being reversed or adjusted.
* Under "Selection Criteria" enter the paycheck number and issue date of the paycheck to be adjusted. Tab out of the issue date field and the rest of the information will default to the page. Verify that the information such as employee ID, name, and net pay is correct. If not correct, exit out of the page without saving the page and find the correct information.
	+ To exit this page without saving, click on "Return to Search" at the bottom of the page. You will get a message stating that you are exiting the panel with unsaved data. Click on the Cancel Button.
* The "Reversal/Adjustment" radio button at the bottom of the page should already be click on. If not, you will need to click that button.
* Do not make any changes to the Account Period section.
* Do **not** click on Run
* Click on the Save button.
* If another paycheck is to be adjusted or reversed in the same off-cycle, click on the Add Row (+) button to add a new row to enter the next paycheck inforamtion. **DO NOT** write over any paycheck number or you will  lose the prior request.
* To delete an adjustment request,
	+ And it is not your only reversal/adjustment request:
		- Click on the Delete Row (-) button of the row that should be deleted.
		- Click on "Save"
	+ And it is your only request for reversal/adjustment:
		- Click on "Delete Reversal/Adjustment" at the bottom of the page
		- Click on "Save"
* The adjustment will process in the next off-cycle run. Normally, the off-cycles are run on Monday and Wednesday of the week of payday, and Monday of the following week.

**Adjustment Request Procedures - Not Timesheet Related**

* Agency identifies that a paycheck should be adjusted, and that the agency can process the adjustment. See above list for transactions that cannot be processed by agencies. Review Common Errors listed below in order to avoid some of the most recurrent problems with adjustments.
* Find the Pay Period End Date, Paycheck Number, and the Paycheck Issue Date that requires the adjustment.
* If the adjustment is for an incorrect deduction (refund or arrearage), verify that the data has been corrected in SHARP prior to requesting the adjustment.
* Verify that the employee has not had a tax data change since the original paycheck was processed.
	+ If there was a tax data change, you will need to add a new row to set up taxes as they were when the original check processed. Be sure to change the tax data back after the adjustment processes.
	+ Failure to check and change tax data may result in additional federal and state withholding taxes to be refunded or charged. The Office of Systems Management Payroll Services team will not process a Centrally Entered Adjustment to correct withholding tax differences.
* On the Payroll Homepage > Payroll Processing Tile > Off-Cycle Processing > Revers/Adjust Paychecks.
* Enter the run control "ADJ-ALL" and click on search. (You may need to Add a New Value if that run control does not yet exist for your operator ID.)
	+ The three boxes under the heading "Process Request Parameter(s)" should default the correct values unless this is your first time on this page under this run control. The values should be:
		- Company: "SOK"
		- Pay Group: either "KAA" for the first offf-cycle of a pay period, "KAB" for the second off-cycle of a pay period, or "KAC" for the third off-cycle of a pay period.
		- Pay Period End Date: The most recently confirmed on-cycle pay period end date. This date will not necessarily be the pay period end date of the paycheck being reversed or adjusted.
* Under "Selection Criteria" enter the paycheck number and issue date of the paycheck to be adjusted. Tab out of the issue date field and the rest of the information will default to the page. Verify that the information such as Employee ID, name, and net pay is correct. If not correct, exit the page without saving the page and find the correct information.
	+ To exit this page without saving, click on "Return to Search" at the bottom of the page. You will get a message stating that you are exiting the panel with unsaved data. Click on the Cancel button.
* The "Reversal/Adjustment" radio button at the bottom of the page should already be clicked on. If not, you will need to click that button.
* Do not make any changes to the Account Period Option Section.
* DO **not** click on Run.
* Click on the Save button.
* If another paycheck is to be adjusted or reversed in the same off-cycle, click on the Add Row (+) button to add a new row to enter the next paycheck information. **DO NOT** write over any paycheck number or you will lose the prior request.
* To delete an adjustment request:
	+ And it is not your only reversal/adjustment request:
		- Click on the Delete Row (-) button of the row that should be deleted.
		- Click on "Save".
	+ And it is your only request for reversal/adjustment:
		- Click on the "Delete Current Reversal/Adjustment" at the bottom of the page.
		- Click on "Save".
* If the adjustment is for a deduction change, you do not have to go to the timesheet. The adjustment request is complete at this point.
* If time is to be adjusted see Time Sheet Adjustment instructions below.
* The adjustment will process in the next off-cycle run. Normally, the off-cycles are run Monday and Wednesday of the week of the payday, and Monday of the following week.

**After The Off-Cycle Run**

* Agency should check the PAY002, Paycheck Register, after the off-cycle to verify that the adjustment was processed correctly. A more complete picture (including the employer charges) will be found on-line in SHARP on the Payroll Homepage > Payroll Processing Tile >  Review Paychecks, or by checking the KPAYGL5C.
	+ Hint: To more quickly pull up the adjustment in SHARP, enter the last confirmed pay period end date (the pay period that was on the Reverse/Adjust Paychecks page) and the employee ID number. This will pull up a shorter list of paychecks: the on-cycle paycheck and the off-cycle adjustment(s) or supplemental(s) that were run for that pay period.
* If the adjustment did not process:
	+ Look for Payroll Error Messages
		- Go to Payroll Homepage > Payroll Processing Tile > Review Processing Messages > Review Payroll Error Messages
		- Enter the Employee ID number and click on "Search"
		- Be sure to check for all error messages on this page
		- Any errors will need to be corrected and the adjustment must be requested again in Reverse/Adjust Paychecks.
		- If you receive "No records Found", look for Timesheet Exceptions.
	+ Looks for Time Entry Errors on the KTL104, Payable Hours Exception Report
		- Go to Time and Labor Homepage > Time and Labor Rpts > Payable Hours Exception
		- Enter a Run Control ID and click on "Search"
		- Enter either a Department ID or Department Group ID
		- Enter an "As of Date"
		- Click on "Run"
		- If there are errors, you will need to request the adjustment run again and fix the errors.

If you still cannot determine why an adjustment did not process, contact the Payroll Services Team at 785-296-3979.

If a large arrearage amount needs to be collected over more than one pay period, the agency needs to follow the procedures outlined for the Maximum Arrears Payback.

**Common Errors**

**No adjustment processed:**

* Use guidelines listed above to search for error messages.
* Unable to adjust paycheck (Payroll Error Messages)
	+ There are certain paychecks that cannot be adjusted by the agency. See page one of these Instructions for a complete list.
	+ These adjustments must be processed centrally by the Office of General Services, Payroll Services Team.
	+ Most common checks that error out are:
		- Checks with ADV earnings codes.
		- Checks with garnishment deductions.
		- Checks created prior to version 9.1 of SHaRP.
		- Checks with inactivated earnings codes.

**Adjustment not processed as expected:**

* The earnings on the timesheet did not change.
* No change between original check and adjustment check for deduction changes
	+ The original check could have already had the correct deduction so that an adjustment was not actually necessary. Verify the paycheck deductions.
	+ In addition to the expected deduction change, another deduction or tax withholding could have changed. Compare the original check to the adjustment check to find all differences.
		- If the other deduction change should not have processed, you will need to submit an adjustment to the Payroll Services Team for processing.
		- The other difference could be due to a change in the tax withholdings; for example the employee changed from Single with 1 exemption to Married with 2 exemptions. Note: Payroll Services does not process adjustments for withholding tax differences only.
		- Another tax change can occur when the tax tables have been changed by the Internal Revenue Service or the Department of Revenue in between when the original check was processed and when the adjustment is processed.  This would be common when crossing calendar years.
	+ The change in deduction(s) was not made or was made with the incorrect effective date. After correcting the deduction data, submit an adjustment request to Payroll Services for processing.
* The wrong pay period was adjusted. Verify the pay period to be adjusted. Request the adjustment to the correct pay period.
* The adjustment was to pick up a change in rate of pay. You cannot process this type of adjustment as Agency Entered Adjustment. See the list on page one of these instructions for types of adjustments that cannot be processed on-line. You will need to add the earnings code "PRA" to the next time sheet to pay the employee the difference in gross earnings.