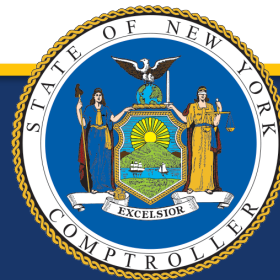


**Office of Operations'
2024 Virtual Fall Conference**

Office of Operations Payroll Corrections

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New York State Comptroller
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Agenda

- Why Would I Need to Make a Payroll Correction
- Payroll Correction Methods
- Questions



Why Would I Make a Payroll Correction?

A Payroll Correction may be done if an error creating undue hardship to the employee occurred on a check that is already confirmed. For example:

- Employee is not paid due to a Hire/Return transaction being entered late
- Incorrect or late transaction causing the employee to be underpaid
- Direct deposit fraud (unrecoverable in most cases)
- Agency error entering Direct Deposit resulting in an employee not getting paid

Agencies should take proactive steps to develop their own guidelines on which errors cause undue hardship.



When not to do a Payroll Correction?

Payroll Corrections should never be used to pay an employee for time that has not yet been worked (i.e., early).

Payroll Corrections should not be done without a repayment agreement.*

Lost/damaged payroll checks should be reissued using the payroll reissuance process. Email the Uncashed NYS Checks mailbox with questions regarding the payroll reissuance process.

*Direct deposit fraud may be paid without an agreement to repay the agency.



Payroll Corrections

2 ways to make a payroll correction

- SFS voucher – preferred
 - Accounting for the payroll correction that ultimately needs to be repaid
- Cash Advance Account
 - Cash Advance Account is utilized for payment
 - Agencies in remote locations will not receive a check(s) from SFS expeditiously



SFS Voucher Payment

- **Advantages**

- Does not require staff time to issue checks and reconcile bank account transactions
- Agency does not need to collect payment from the employee
- The transaction is recorded in SFS which provides a historical record
- Eliminates the need for a cash advance account used specifically for payroll corrections

- **Disadvantages**

- Employee does not receive immediate payment



SFS Payroll Correction Voucher

- Processed through SFS Accounts Payable
- This process should not be used for employees on a recurring basis or to expedite the payroll process
- Agencies must use OSC-assigned Single Payment Vendor IDs



SFS Payroll Correction Voucher Coding

- **Vendor IDs**

- 0330000012 - Payroll Exception Payment (not fraud related)
- 0330000013 - Unrecoverable Payroll Exception Payment (fraud related)

- **Chartfield Information**

- Agencies should use where the employee's personal service costs are charged
- Any budget issues should be directed to the Agency's Finance Office



Payroll Correction Voucher Process

- **Documentation Requirements**

- Agencies should be prepared to provide OSC with documentation supporting the payee, amount of payment, and approval by OSC Payroll (if required)

- **Payment**

- Payment will be issued by check
- Agencies can request special handling if necessary

- **Questions about voucher processing?**

- Email stexpend@osc.ny.gov



SFS Payroll Correction Voucher Refund from Employee

- **Prepare a Refund of Appropriation (AP Adjustment Voucher)**
 - Voucher style: Adjustments
 - Use the same chartfield coding as the original voucher on the credit line
 - Use vendor ID: **0RPAYREXCP**
 - Enter the original single payment voucher ID into the Invoice Number field
 - See GFO section VII.3 AP Adjustment Voucher
- **Questions about Refund of Appropriation?**
 - Email Appropriations@osc.ny.gov



Cash Advance Payroll Correction

- Agencies sometimes use their cash advance accounts to make payroll correction payments
- This process should not be used for employees on a recurring basis or to expedite the payroll process
- See GFO section VII.10.D Cash Advance Payment Types



Refund of Payroll Correction from Employee

- **Deposit into the Cash Advance account**
 - Employees must re-pay the agency's sole custody account
 - Funds should be returned by the employee within 14 days or upon receipt of the employee's salary check
 - It is the agency's responsibility to collect any monies paid out of the cash advance account for payroll corrections before any employee leaves the agency
 - An advantage of using the SFS voucher process is that OSC payroll can ensure that the payroll correction is accounted for in the employee's last paycheck



Questions



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