Balancing Information Worksheet

This worksheet can be used to help find the cause of a variance in the Balancing Information option.

To find the cause of the variance, follow the steps below to locate the issue. Read each step in detail and complete the step even if it is thought that the item being verified is not the culprit. Continue with each step until the variance is found.

Print the Balancing Information Report - Detail. Review the variance(s). See **Diagram A**. If it appears that the variances are coming from one particular deduction amount, continue to the **Deduction Variances** section. If the variances appear to be coming from a pay code amount, continue to the **Pay Code Variances** section. If the variances do not appear to correlate back to any particular deduction or pay code amounts, continue to the **Other Variances** section.

Balancing Information Report - Detail
All Variances

Page: 1
User ID: SAS

Generated By: Batch   Batch Description: September Regular Payroll

Employee: ANDEJUL   Anderson, Julia

ID	Description	Type	Amount	Calculated FIT Gross	Calculated SIT Gross	Calculated Social Security Gross	Calculated Medicare Gross
Pay Codes							
REG	Regular Rate	Gross Earnings	1,520.00	1,520.00	1,520.00	1,520.00	1,520.00
		Total:	1,520.00	1,520.00	1,520.00	1,520.00	1,520.00
Deductions							
UNITEDWAY	United Way		(5.00)	0.00	0.00	0.00	0.00
RET	Ret-Iowa Public Empl Ret Sys	Retirement	(95.61)	(95.61)	(95.61)	0.00	0.00
		Total:	(100.61)	(95.61)	(95.61)	0.00	0.00
		Calculated:	1,419.39	1,424.39	1,424.39	1,520.00	1,520.00
		Actual:		0.00	0.00	0.00	0.00
		Variance:		1,424.39	1,424.39	1,520.00	1,520.00

Employee: JACKKAT   Jackson, Kathy

ID	Description	Type	Amount	Calculated FIT Gross	Calculated SIT Gross	Calculated Social Security Gross	Calculated Medicare Gross
Pay Codes							
C01	Contract 1	Gross Earnings	2,250.00	2,250.00	2,250.00	2,250.00	2,250.00
C02	Contract 2	Gross Earnings	1,166.66	1,166.66	1,166.66	1,166.66	1,166.66
		Total:	3,416.66	3,416.66	3,416.66	3,416.66	3,416.66
Deductions							
AFLAC	Aflac Cancer Ins - 125		(10.50)	0.00	0.00	0.00	0.00
DUES	Dues-ISEA		(35.00)	0.00	0.00	0.00	0.00
LTD	Long Term Disability		(2.53)	0.00	0.00	0.00	0.00
HSA	Health Savings Account	Flex Deduction	(150.00)	(150.00)	(150.00)	(150.00)	(150.00)
RET	Ret-Iowa Public Empl Ret Sys	Retirement	(214.91)	(214.91)	(214.91)	0.00	0.00
EQUITLIFE	Equitable Life Ins Co	TSA	(50.00)	(50.00)	(50.00)	0.00	0.00
		Total:	(462.94)	(414.91)	(414.91)	(150.00)	(150.00)
		Calculated:	2,953.72	3,001.75	3,001.75	3,266.66	3,266.66
		Actual:		2,991.25	2,991.25	3,256.16	3,256.16
		Variance:		10.50	10.50	10.50	10.50

Employee: SAMPBEC   Sampson, Becky

ID	Description	Type	Amount	Calculated FIT Gross	Calculated SIT Gross	Calculated Social Security Gross	Calculated Medicare Gross
Pay Codes							
SEC	Secretary	Gross Earnings	1,540.50	1,540.50	1,540.50	1,540.50	1,540.50
		Total:	1,540.50	1,540.50	1,540.50	1,540.50	1,540.50
Deductions							
AMERLIFE	American Life Ins Co		(1.80)	0.00	0.00	0.00	0.00
UNITEDWAY	United Way		(20.00)	0.00	0.00	0.00	0.00
HEALTH125	Travelers Health Ins 125	Flex Deduction	(163.00)	(163.00)	(163.00)	(163.00)	(163.00)
RET	Ret-Iowa Public Empl Ret Sys	Retirement	(96.90)	(96.90)	(96.90)	0.00	0.00
		Total:	(281.70)	(259.90)	(259.90)	(163.00)	(163.00)
		Calculated:	1,258.80	1,280.60	1,280.60	1,377.50	1,377.50
		Actual:		1,280.60	1,280.60	0.00	1,377.50
		Variance:		0.00	0.00	1,377.50	0.00

Diagram A

Deduction Variances

If the variances seem to correlate to a particular deduction amount, verify the following:

a. Click the **Deductions** tab in the Balancing Information option and review the designation for each deduction. The deductions can be designated in one of the following ways:

- Select the Gross Earnings column if an Add type deduction or a Payment In Kind type deduction is taxable.

- Select the Flex Deduction column if a deduction is a flex 125 deduction (pre-tax to FIT, SIT (if applicable), Social Security, and Medicare).

- Select the TSA column if a deduction is a tax-sheltered annuity (pre-tax to FIT and SIT (if applicable)).

- Select the Retirement column if a deduction is a retirement deduction for your state's retirement system and is pre-tax for FIT and SIT (if applicable).
- Deductions defined with a Deduction type that are paid entirely by the employer (board) or have an employee share that is taxable (processed after taxes) will <u>not</u> be selected for any category.
- **For Illinois and Missouri organizations only**, the Has Employees Exempt from Social Security column displays to the right of the Retirement Column. If a deduction has the State Retirement System Deduction field selected, the Has Employees Exempt from Social Security column is enabled. If applicable, select the field for a retirement deduction if the employees set up with that deduction are <u>not</u> subject to Social Security. Refer to "Training Tidbit: Is there a way to account for employees exempt from Social Security within the Balancing Information option for Missouri and Illinois organizations" by clicking here.

b. If corrections were made to the Deductions tab, click the **View Data** tab. Are the variances now resolved? If not, continue with the next item.

c. Verify the tax cross references for the deduction in both the Deduction File and the Employee File.

- In the Deduction File, bring up the appropriate deduction, and review the taxes selected on the right side of the screen in the Cross References List in the Taxes section.
- In the Employee File, bring up the employee causing the variance, click the **Deductions** tab, double-click the appropriate deduction in the Employee Deductions List at the bottom of the screen, and review the taxes selected in the Cross References List in the Taxes section found in the lower-right corner of the screen.

Tip: Flex 125 deductions (which are pre-tax to FIT, SIT (if applicable), Social Security, and Medicare) will have those taxes unselected in the Cross References List. Tax-sheltered annuity deductions (which are pre-tax to FIT and SIT (if applicable)) will have those taxes unselected in the Cross References List. Regular, after-tax deductions will have all taxes selected in the Cross References List.

d. If balancing by **Batch** (for an unposted payroll) and corrections were made to the cross references in the previous step, recalculate the payroll, go back into the Balancing Information option, regenerate, and click the **View Data** tab. The variances related to deductions should now be resolved.

e. If balancing by **Check Date** or **Processing Month**, refer to the "FAQ: How do I correct mistakes for employee tax amounts I found when balancing the calendar year?" by clicking here. After the payroll with the Deduction/ Tax Adjustments outlined in the FAQ has been updated, go back into the Balancing Information option, regenerate, and click the **View Data** tab. The variances related to deductions should now be resolved.

Pay Code Variances

If the variances seem to correlate to a particular pay code amount, verify the following:

a. Click the **Pay Codes** tab in the Balancing Information option and review the designation for each pay code. The pay codes can be designated in one of the following ways:

- Select the Gross Earnings column if an Add type, Contract type, or Payment In Kind type pay code is taxable.
- Select the Gross Earning column if a Deduction type pay code is pre-tax or non-taxable and must be subtracted from the Gross Earning formula (a Deduction type pay code is considered pre-tax or non-taxable if the taxes are selected in the Cross References List in the Pay Code File).
- If the Gross Earnings column is selected for a pay code, the Student Worker Pay Code column is enabled. If applicable, select the Student Worker Pay Code column (field) for a pay code if it is defined to pay student workers and is <u>not</u> taxable for Social Security and Medicare.

b. If corrections were made to the Pay Codes tab, click the **View Data** tab. Are the variances now resolved? If not, continue with the next item.

c. Verify the tax cross references for the pay code in the Deduction File and the Employee File, in addition to any Pay Period Entries batches if balancing by **Batch**.

- In the Pay Code File, bring up the appropriate pay code, and review the taxes selected on the right side of the screen in the Cross References List in the Taxes section.
- In the Employee File, bring up the employee causing the variance, click the **Wages** tab, double-click the appropriate pay code in the Employee Wages List at the bottom of the screen, and review the taxes selected in the Cross References List in the Taxes section found in the lower-right corner of the screen.
- In the applicable Pay Period Entries batches, bring up the entries for the employee causing the variance and review the taxes selected in the Cross References List in the Taxes section found in the lower-right corner of the screen.

Tip: Taxes will be selected for Add type, Contract type, or Payment in Kind type pay codes that are taxable. If a Deduction type Pay Code is considered pre-tax or non-taxable, the taxes will be selected in the Cross References List. If an Add type pay code is used to pay non-taxable reimbursements (i.e. mileage), the taxes will not be selected.

d. If balancing by **Batch** (for an unposted payroll) and corrections were made to the cross references in the previous step, recalculate the payroll, go back into the Balancing Information option, regenerate, and click the **View Data** tab. The variances related to pay codes should now be resolved.

e. If balancing by **Check Date** or **Processing Month**, refer to the "FAQ: How do I correct mistakes for employee tax amounts I found when balancing the calendar year?" by clicking here. After the payroll with the Deduction/ Tax Adjustments outlined in the FAQ has been updated, go back into the Balancing Information option, regenerate, and click the **View Data** tab. The variances related to pay codes should now be resolved.

Other Variances

If the variances cannot be correlated to a particular deduction or pay code amount, verify the following:

a. Verify the employees causing the variance have the appropriate taxes set up on the Taxes tab in the Employee File.

- In the Employee File, bring up the employee causing the variance, and click the **Taxes** tab. Verify the appropriate taxes are set up for the employee. Taxes that should be included are: Federal Income Tax, State Income Tax (if applicable), Social Security (if applicable), and Medicare (if applicable). (*Tip:* FUTA, SUTA, and Workers Comp should also be set up for each employee for reporting purposes but do not affect the balancing of taxes.)

b. If balancing by **Batch** (for an unposted payroll) and corrections were made to the taxes in the previous step, recalculate the payroll, go back into the Balancing Information option, regenerate, and click the **View Data** tab. The variances should now be resolved.

c. If balancing by **Check Date** or **Processing Month**, refer to the "FAQ: How do I correct mistakes for employee tax amounts I found when balancing the calendar year?" by clicking here. After the payroll with the Deduction/ Tax Adjustments outlined in the FAQ has been updated, go back into the Balancing Information option, regenerate, and click the **View Data** tab. The variances should now be resolved.