Workday's Approach to Payroll Accounting

Workday will offer significant changes for payroll and financial processes. See below for an overview of some of the changes for payroll accounting.

What's Changing?

- **Data Entry relating to Payroll Costing Allocations and Salary Transfers–** Currently, central departments own the data entry process relating to the assignment of payroll costing allocations and salary transfers.
  - With Workday, in relation to Contractual jobs, the data entry process will be decentralized from HR. Authorized users that initiate staffing events such as Hire, Change Job, etc. will assign payroll costing allocations during such staffing event-related processes.
  - With Workday, authorized de-centralized users will initiate payroll costing changes/corrections as well as initiate Payroll Accounting Adjustments (Salary Transfers).
- **Additional Compensation Tax Classification –** Currently, additional compensation paid to a PIN (Regular) worker is affected using a second job for the worker. As such, the payroll taxes corresponding to additional compensation is split between the Regular and non-regular components that results in the appropriate accounting classification of each as "Regular" or "non-Regular"
  - With Workday, additional compensation will be processed using Period Activity Pay (PAP) that can be associated with the PIN (Regular) position. In order to achieve the appropriate accounting classification of the corresponding payroll taxes, a required "Detail Code" designation will be applied on each PAP and One Time Payment line that will specify that the pay is classified as Contractual or Regular.

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