

Finance Manager: Accounting



Payroll to General Ledger Distribution Using the Manually Offset Method

The Payroll to GL Distribution routine is used to automate the recording of Payroll related expenditures to the proper appropriation accounts in nVision Accounting. Because Finance Manager's nVision product was developed with the ability to run modules separately or all together, the expenditures resulting from payroll(s) are not recorded in nVision Accounting until this routine has been performed.

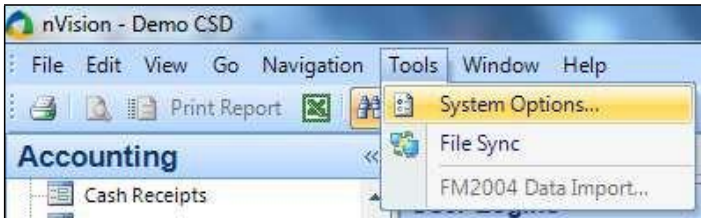
How the Manually Offset Method Works

When using the Manually Offset method, the payroll distribution will complete the 522 amounts (along with all the expenditure subsidiary amounts) automatically with the proper expenditures for each fund for the chosen date range in the Add Distribution area, and then prompt the user to distribute the offsets as they see fit.

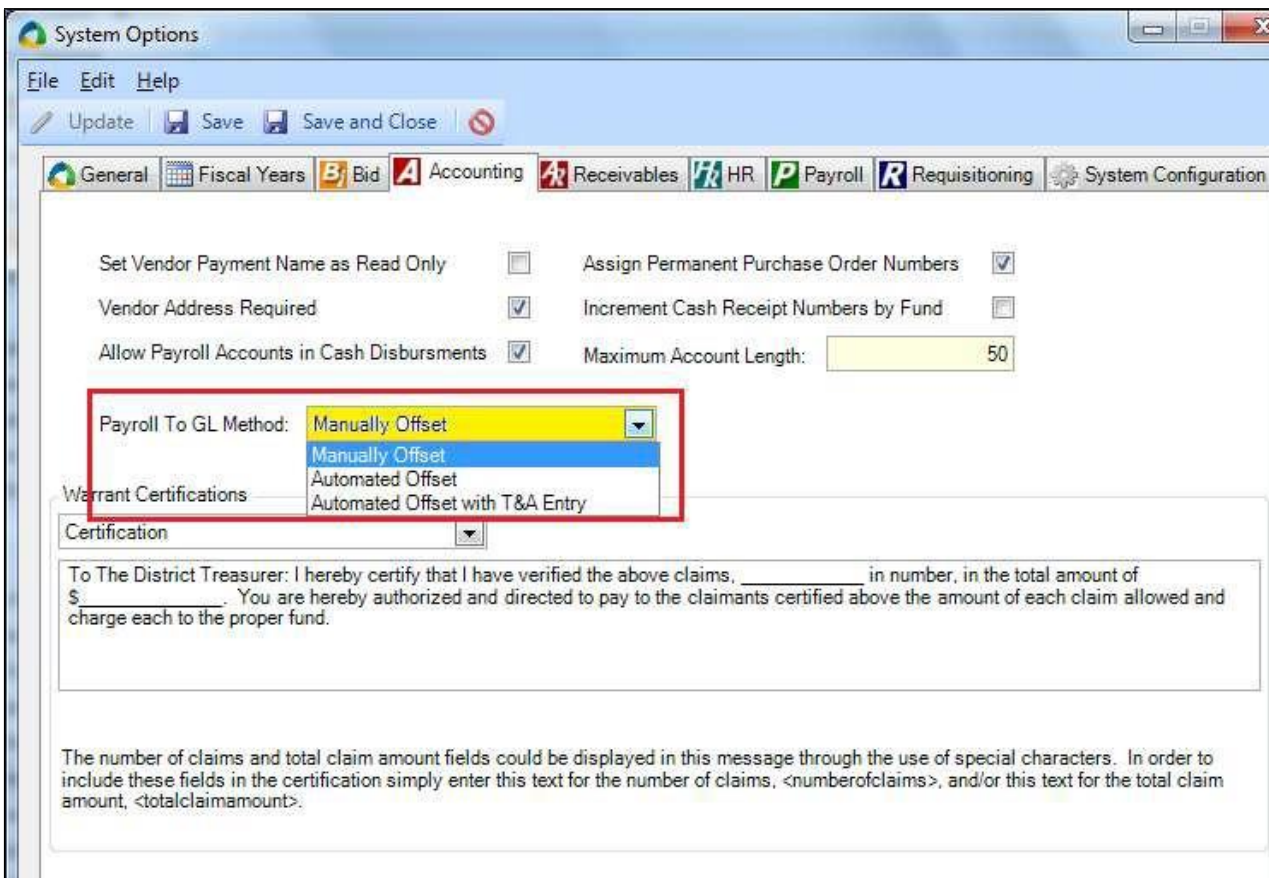
Setting Your Payroll to GL Routine Method as MANUALLY OFFSET

The first step is to define the Payroll to GL Routine Method as Manually Offset.

Click the Tools drop-down on the nVision main toolbar. Then choose System Options.



The System Options window displays. Click the **Accounting** folder. Click **Update**.



Use the drop-down to set the **Payroll to GL Method** field to **Manually Offset**. **Save** the record.

Specifying the Payroll Distribution Accounts

The first important step when using the Payroll to GL Distribution routine is to designate the proper control accounts that will be used when nVision Accounting creates the journal entry for the General Ledger to record payroll expenditures. Designation of these accounts is done **one-time** using the Payroll Distribution Account Setup option under the Setup menu tree. A fund indicator is not necessary for this routine since nVision Accounting will only distribute to funds with expenditures and will automatically look for each of these accounts in every fund. The first account should be 522, for the expenditure control account in the appropriation subsidiary.

Below is a sample setup for Payroll to GL Distribution accounts. With these accounts, nVision Accounting will complete the 522 amounts (along with all the expenditure subsidiary amounts) automatically with the proper expenditures for each fund and then prompt the user to distribute the offsets as they see fit.

Account	Description
A200	CASH IN CHECKING
A522	EXPENDITURES
A630TA	DUE TO TA FUND
A632	DUE TO TRS
C200	CASH IN CHECKING
C522	EXPENDITURES
C630TA	DUE TO TA FUND

Specifying the Appropriate General Ledger Account Code TYPE

For each **General Ledger** code in your Chart of Accounts, it is important to flag the code as either a **liability**, **asset**, or **fund balance** type account and indicate whether the balance is typically a **debit** or **credit**. Open the Setup menu tree in nVision Accounting and select the Accounts option. A listing of the codes in your Chart of Accounts displays. Set the Account Type filter at the top of the window to General Ledger to display only General Ledger accounts. Highlight the G/L code in the browser and enter **Update** mode.

Demo CSD - Account - A522

File Edit View Help

+ New Update Copy Save Save and Close

Account Type: General Ledger Active: ☒

Fund: A

Account: A522 A 522

Description: EXPENDITURES

Account Details

G/L Accounts Custom Fields

GL Type: Asset Cash Account:

Balance Type: Debit Cash Account Type: <Not Specified>

Using the GL Type field drop-down arrow, flag the code as either an Asset, Liability, or Fund Balance type account. Then use the Balance Type field drop-down arrow to specify the type as either a Credit or Debit. **Liability** codes are typically **credit** balance type account codes, whereas **Asset** codes are normally **debit** balance type account codes. nVision uses these settings during the importing of the Payroll to General Ledger distribution. The Payroll Distribution to Accounting window places the monies from the payroll into the correct debit or credit column, as shown in the illustration below.

Demo CSD - Payroll Distribution to Accounting

Payroll to General Ledger Distribution

Balance general ledger accounts before posting

Balance Ledger Accounts

Account	Description	Debit Amt	Credit Amt
A200	CASH IN CHECKING		63,104.87
A522	EXPENDITURES	63,758.50	
A630TA	DUE TO TA FUND		
A632	DUE TO TRS		653.63
C200	CASH IN CHECKING		4,157.14
C522	EXPENDITURES	4,157.14	
C630TA	DUE TO TA FUND		
F201200	CASH IN CHECKING		2,534.81
F201522	EXPENDITURES	2,534.81	
F201630TA	DUE TO TA FUND		

Cancel Save <Back Post

Status: Debits/Credits In Balance Total Debits: \$70,450.45 Total Credits: \$70,450.45

Payroll to GL Distribution Using the MANUALLY OFFSET METHOD

Prior to running to PR Distribution Run and print the following reports

1. FICA\Med Expenses – nVision Payroll→**After Checks Posted Reports Menu**
2. Payroll Transaction Journal – nVision Payroll→**After Checks Posted Reports Menu**

In nVision Accounting, open the Data Entry menu tree. Open the Cash Disbursement menu tree and select the Payroll to General Ledger Distribution option.

nVision Accounting→Data Entry→Cash Disbursements→Payroll to General Ledger Distribution

The Payroll Distribution to Accounting window displays.

Payroll to General Ledger Distribution
Enter the distribution information for the selected payroll

Payroll Selection

Payroll Cycle: Biweekly Payroll: 10/11/2013

Distribution Information

Cash Disbursement Schedule:

Schedule: A - 8 A Fund Warrant October 2013 10/1/2013 - 10/31/2013 + New Schedule

Reference No: 101113 Payroll PO No: 201314

Posting Date: 10/11/2013 Distributed: ☐

Description: Payroll Summary 10/11/2013

Cancel Save Next

Status: No Distribution Setup

Defining Payroll Distribution Information

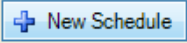
1. Using the drop-down, choose the **Payroll Cycle**.
2. Using the drop-down, choose the **Payroll Date**.

The Payroll PO Number, Posting Date, and Description default in.

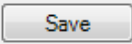
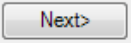


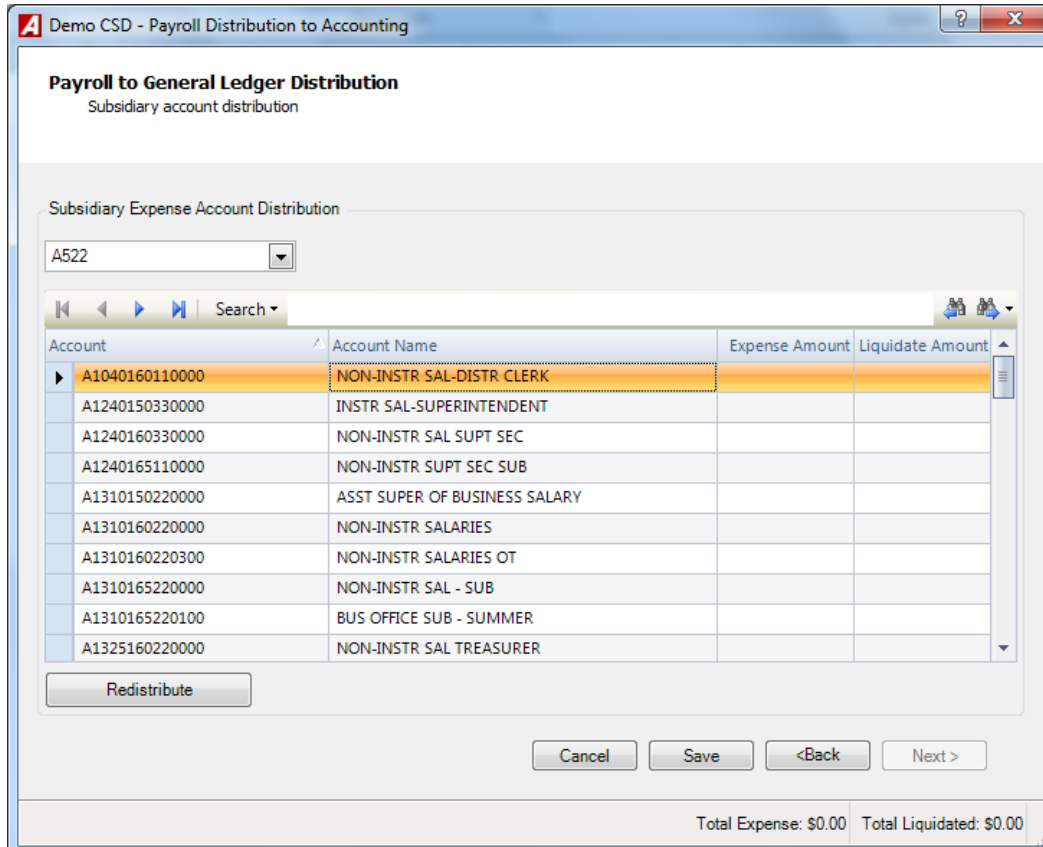
- Click the **Cash Disbursement Schedule** drop-down to display a list of open cash disbursement schedules. Highlight the appropriate schedule to post the distribution to and click **OK**.

OR

If necessary, click  to add a new schedule on the fly.

While the routine will post the payroll expenses to any cash disbursement schedule, most users like to open a separate schedule (keeping these expenditures separate from their normal warrant) for distributions either for each payroll or for a month of payrolls. The routine will post all fund expenditures into the schedule regardless of what way the **Mix Funds** question was answered when the schedule was set up.

- Enter a **reference number**. This number is used to reference this transaction as a disbursement, therefore acting like a check number. Most districts simply use the date of the payroll for this field. (e.g., 05/25/12 Payroll date would use 52512 as the Ref#. Since the field is numeric, any leading zeros are dropped.)
- Update the default **posting date** if necessary.
- Modify the **description** as needed. This field is used for a description of the payroll expenditure and will automatically default to "Payroll Summary" followed by the posting date for the payroll.
- Click  to save the demographic information.
- Click .
- Use this window to manually distribute the offset amounts to the expenditures.



Payroll to General Ledger Distribution
Subsidiary account distribution

Subsidiary Expense Account Distribution

A522

Account	Account Name	Expense Amount	Liquidate Amount
A1040160110000	NON-INSTR SAL-DISTR CLERK		
A1240150330000	INSTR SAL-SUPERINTENDENT		
A1240160330000	NON-INSTR SAL SUPT SEC		
A1240165110000	NON-INSTR SUPT SEC SUB		
A1310150220000	ASST SUPER OF BUSINESS SALARY		
A1310160220000	NON-INSTR SALARIES		
A1310160220300	NON-INSTR SALARIES OT		
A1310165220000	NON-INSTR SAL - SUB		
A1310165220100	BUS OFFICE SUB - SUMMER		
A1325160220000	NON-INSTR SAL TREASURER		

Redistribute

Cancel Save <Back Next >

Total Expense: \$0.00 Total Liquidated: \$0.00

The window below accumulates the expenses to be distributed based on the GL Expense account displayed in the drop-down. If any checks in this range have been distributed prior to this, they will not be included now.

Demo CSD - Payroll Distribution to Accounting

Payroll to General Ledger Distribution
Subsidiary account distribution

Subsidiary Expense Account Distribution

GL Expense Account: A522

Account Name	Expense Amount	Liquidate Amount
NON-INSTR SAL-DISTR CLERK		
A1240150330000 INSTR SAL-SUPERINTENDENT	7,638.92	7,638.92
A1240160330000 NON-INSTR SAL SUPT SEC		
A1240165110000 NON-INSTR SUPT SEC SUB		
A1310150220000 ASST SUPER OF BUSINESS SALARY	6,147.50	6,147.50
A1310160220000 NON-INSTR SALARIES	4,749.16	4,749.16
A1310160220300 NON-INSTR SALARIES OT		
A1310165220000 NON-INSTR SAL - SUB		
A1310165220100 BUS OFFICE SUB - SUMMER		
A1325160220000 NON-INSTR SAL TREASURER		

Redistribute

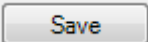
Cancel Save <Back Next >

Total Expense: \$63,758.50 Total Liquidated: \$63,758.50

While nVision Accounting automatically populates the 522 expenditure control account (and the subsidiary expenditure amounts under Account Distribution), the user **must** enter the offset amounts to the expenditures.

Remember, the accounts that were set up in the Payroll Distribution Accounts Setup routine and are active in the Chart of Accounts will automatically be pulled into the distribution; however, the user must enter the appropriate amounts. If it is ever necessary to adjust an expense in the subsidiary, the user can look at the current accounts and their expenditures which have been imported, then manually adjust them. Please keep in mind if for whatever reason you have increased or decreased the amount of expenditures under the Account Distribution window, the 522 account will also have to be adjusted accordingly.

Search for the appropriate Social security expense codes for each fund. For example A9030800000000. Locate the total employer share of FICA and Medicare on the FICA/Med Expenses report and enter into the expense amount on the appropriate Social Security account. nVision will automatically increase the amount in the associated 522 account on the GL screen.

Use the above window to distribute the payroll expenses to the General Ledger. Make changes as needed and click . Use the drop-down to change the GL expense account.

Demo CSD - Payroll Distribution to Accounting

Payroll to General Ledger Distribution
Subsidiary account distribution

Subsidiary Expense Account Distribution

GL Expense Account: C522

Account Name	Expense Amount	Liquidate Amount
SAL BREAKFAST MON		
SAL NOON MON		
NON-INSTRUCT SAL	2,300.19	2,300.19
NON-INSTR SALARIES	1,856.95	1,856.95
CAFETERIA BANK RUN		
EXTRA PAY FOR EMERGENCY CL		
CAFETERIA SUBS		
NOON MON SUB		
BREAKFAST MON SUB		
NOON MONITOR SUBS		

Buttons: Redistribute, Cancel, Save, <Back, Next >

Total Expense: \$4,157.14 Total Liquidated: \$4,157.14

Make changes as needed and click

Save

NOTE: If at any point you need to reset your entries, click **Redistribute**. Any existing changes to the distribution will be overwritten and any entries will need to be redone.

Redistribute

Use the drop-down to change the GL expense account.

Demo CSD - Payroll Distribution to Accounting

Payroll to General Ledger Distribution
Subsidiary account distribution

Subsidiary Expense Account Distribution

F201522

Search

Account	Account Name	Expense Amount	Liquidate Amount
F20121101500000	INSTRUCTIONAL SALARIES	2,534.81	2,534.81

Redistribute

Cancel Save <Back Next >

Total Expense: \$2,534.81 Total Liquidated: \$2,534.81

Make changes as needed and click **Save**. Once you have changed and/or verified the information for each subsidiary expense account, click **Next>**.

10. This step requires that the general ledger accounts are balanced before posting.

Account	Description	Debit Amt	Credit Amt
A200	CASH IN CHECKING		
A522	EXPENDITURES	63,758.50	
A630TA	DUE TO TA FUND		
A632	DUE TO TRS		
C200	CASH IN CHECKING		
C522	EXPENDITURES	4,157.14	
C630TA	DUE TO TA FUND		
F201200	CASH IN CHECKING		
F201522	EXPENDITURES	2,534.81	
F201630TA	DUE TO TA FUND		

Status: Debits/Credits NOT In Balance

Total Debits: \$70,450.45 Total Credits: \$0.00

Verify the amounts in the 522 accounts using the FICA/Med Expenses report. They should be the gross amount for each fund plus the employer share of FICA and medicare added to the fund.

Note: If 522 amount is not in balance you **must** click the back button and correct the amount of expense in the 9030 Social Security account. You cannot change the debit amount manually.

If Correct subtract the total TRS amount for all accounts found on the FICA/Med Expenses report from the amount shown in the A522 and enter into the associated credit account - A200 if using cash account or A630 if using a Due To account. Enter the total TRS amount into the credit field of the A632 Due To TRS. Enter the amount from the 522 of the other into the corresponding 200 or 630 accounts. When saved check the bottom of screen to make sure you are in balance. You cannot continue until the screen is in balance

Below is a sample screen showing how the distribution screen should be filled in using the **Manually Offset** method.


Demo CSD - Payroll Distribution to Accounting

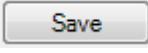
Payroll to General Ledger Distribution
Balance general ledger accounts before posting


Balance Ledger Accounts

Account	Description	Debit Amt	Credit Amt
A200	CASH IN CHECKING		63,104.87
A522	EXPENDITURES	63,758.50	
A630TA	DUE TO TA FUND		
A632	DUE TO TRS		653.63
C200	CASH IN CHECKING		4,157.14
C522	EXPENDITURES	4,157.14	
C630TA	DUE TO TA FUND		
F201200	CASH IN CHECKING		2,534.81
F201522	EXPENDITURES	2,534.81	
F201630TA	DUE TO TA FUND		

Cancel Save <Back Post

Status: Debits/Credits In Balance  Total Debits: \$70,450.45 Total Credits: \$70,450.45

Once the distribution has been completed, click . The Total Debits and Credits should equal one another; otherwise nVision will not permit posting the transaction in the next step.

11. The transaction can now be posted to the General Ledger. Click . Confirm the distribution posting by clicking **Yes** at the prompt.

Once the Payroll to GL Distribution has been posted, entries have now been made to record entries to both the control accounts in the General Ledger along with the expenditures in the subsidiary. If the payroll was encumbered, an additional liquidation entry will also be made to each account for the amount of the expense up to the remaining encumbrance amount.

nVision allows you to process the Payroll to General Ledger again using the same pay cycle and pay date, however only the check(s) that was not previously posted will be brought into Accounting.

Note: Once Payroll checks have been distributed to Accounting using the Payroll to General Ledger Distribution Routine, they cannot be distributed again. Therefore, any adjustments to the distribution will need to be corrected with the posting of journal entries.

11142013