US - 6402 - Chemplex/Herman Payroll Report and Entry

Tasks to be completed when documenting an operation (from creation to publication)

1. Enter the **Title of the operation / page**

2. Add the following Labels:

- Scope of applicability: ww, country_accounting
    - Country or group of countries (if applicable): belux, china, france, italy, lam, nam,uk_ie, bulgaria, dach, netherlands, iberia, poland, latvia, australia, india, japan, south_korea, thailand, singapore, new_zealand, emea_transversal, apac_transversal
    - Unit and Domain according to the List of labels to be used in the Finance Service Line space
        - **E.g. 1:** WW Operation in Financial Accounting under domain "Central Finance Processes & Compliance":
            - Labels to be used: ***ww, financial_accounting, central_fin_proc_compliance***
        - **E.g. 2:** France Operation in Financial Accounting:
            - Labels to be used: ***country_accounting, france, financial_accounting***
              (for country operations, the Domain is always country_accounting)

3. Fill in all fields as described above

4. Name the title of each section using OPD methodology naming convention - Infinitive verb without the “to”, mainly action verb...something) -" I do something..."

5. Once the description of the operation is completed, ensure it is approved and published by launching the SBS-Finance approval workflow

Domain: Country Accounting	**Responsibility area**:

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Scope

? Unknown Attachment

ERP

WP1

Frequency

Month

References

Forms

Chemplex Payroll MM.YYYY Template

JE 6402 - Chemplex Payroll Template

6402 - Herman Payroll Template

Attachments

Chemplex/Herman Payroll Report and Entry

<< US - 6402 - Chemplex/Herman Payroll Report and Entry >>

1. Objective and Scope

1.1. Objective of this Operation

The purpose of this document is to explain how to perform the Payroll report and journal entry from cost centers and balance sheet to treasury loan account that 7424 has with Chemplex.

1.2. Scope

This procedure is applicable to 6402 in WP1 system.

It is done normally on D-2 or D-1 after the payroll is processed.

2. Definitions

See Finance Glossary:

- CAM
- SAGE
- SAP
- WP1

3. Tasks description

3.1. I Separate the Chemplex/Herman Payroll Report from 6402

3.1.1. I Separate the Chemplex/Herman Payroll Report from 6402

After doing the 6402 payroll report (explained in another procedure), it needs to be separated in another file what is related to Chemplex costs, which are the cost center range 8938-2000 to 8938-3000.

Normally, the cost centers are:

8938-2000
8938-2001
8938-2003
8938-2006
8938-3000

To do that, filter in the payroll report file the column cost center everything in this range: 8938-2000 to 8938-3000.

Include in another file which template is Chemplex Payroll MM.YYYY Template and include in tab data.

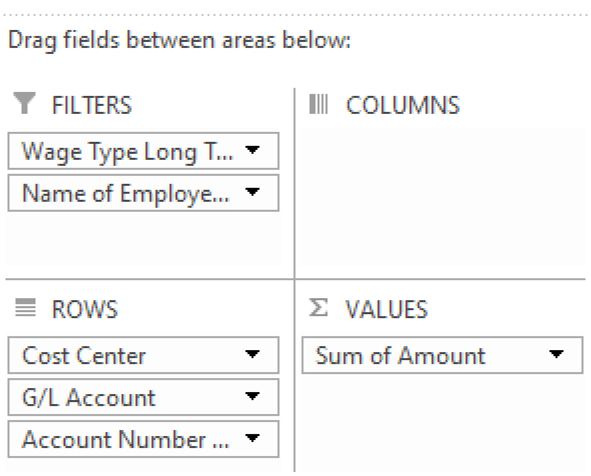
*This file contains a password as the information in it is confidential.

Do the same for cost center 8938-6002 in another file using the same template because it refers to Herman cost center and it needs to be done separated. We need to deliver the information separated because in SAGE system the Chemplex and Herman are "separated" companies, but they are merged in BFC only.

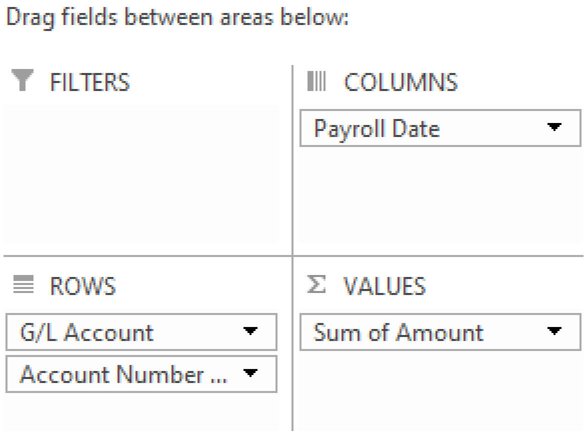
3.1.2. I Understand the Template File

The template have different tabs:

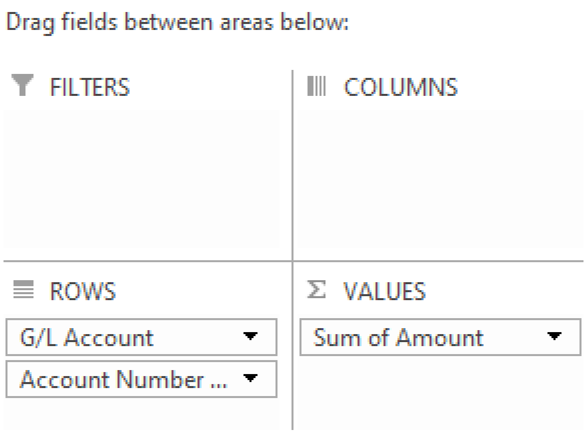
- Tab Data
  - used to allocate the data from payroll in its pure form;
- Tab Payroll
  - There is a pivot table that shows the payroll values by account and cost center. The pivot table is set up as below:



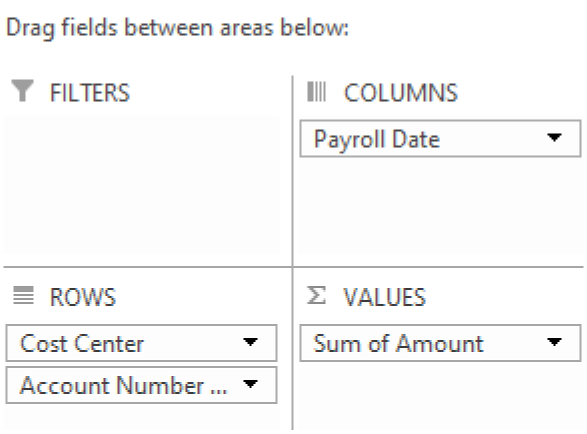
- Tab Payroll Accrual
    - There is a pivot table that shows the payroll accrual, which is reversed in the next month. It filters the account 98320102 (payroll) and 98320204 (fringe). The pivot table is set up as below:



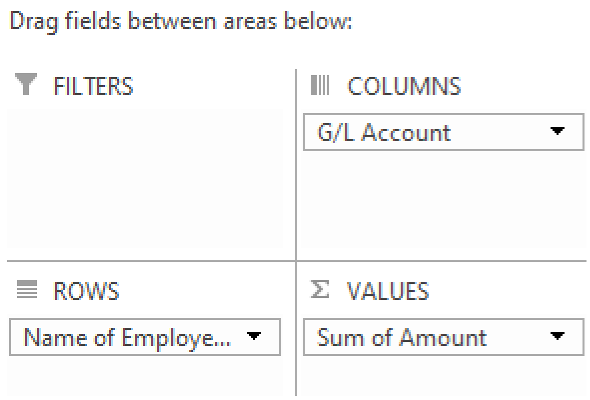
- Tab Bonus
    - There is a pivot table that shows the bonus accrual and the fringe on it. It filters the accounts 98320141 (bonus accrual non-cadre), 98320146 (bonus accrual Cadre) and 98320229 (fringe 15%). The pivot table is set up as below:



- tab Payroll Date
    - There is a pivot table that shows the payroll by payroll date. It is only informative. The pivot table is set up as below:



- tab Bonus Details
    - There is a pivot table that shows the bonus accrual for each employee. The pivot table is set up as below:



3.1.3. I Send the File to Chemplex/Herman Controller and CAM

Send it to Chemplex/Herman controller and CAM by email. The subject can be "Chemplex + Herman/Roanoke Payroll File Month YYYY".

3.2. I Prepare and Post the Journal Entry

3.2.1. I Prepare and Post the Journal Entry

Some values need to be transferred to Chemplex/Herman Loan account 57000400.

You can use the template JE 6402 - Chemplex Payroll Template and 6402 - Herman Payroll Template

*Make Sure to do it after the IAS19 cycle execution as it impact on the cycle. It is executed on D-2 by SUFAC team.

*Be careful with the values and posting key.

- JE Item 1 - Reclass payroll

To reclass the payroll, go to tab "Payroll" in the previous file and you need to transfer the value from the cost center to the trasury accounr 57000400.

It is better to zero by account + cost center in the P&L side and sum up by cost center in the 57000400 side.

To help on that, in column E, which is hidden, there is a formula to bring the correct posting key per line. It needs to be a debit 40 if the amount is negative and a credit 50 if the amount is positive.

In the below example, the values in the cost center 0249-3901 are being transferred to 57000400 account by account and onli one line as counter part in 57000400 with the text 0249-3901 (to identify it came from 0249-3901).

In addition, the Transaction type used in account 57000400 should be: F20 (increase) if it is a credit (posting key 50) and F30 (decrease) if it is a debit (posting key 40).

Company Code	Header Text	Doc Date	Posting Da	osting	G/L account	mount Do	B	Value Da	Cost cen	Text	Transaction Ty
7424	Chemplex Payroll	31032022	31032022	40	98300625	- 200,00			0249-3901	98300625 FC-AR VARIOUS EXPENS	
				50	98320100	48.058,92			0249-3901	98320100 FC SALARIES	
				50	98320102	6.206,31			0249-3901	98320102 FC PERSO/PROV PROFIT	
				50	98320105	4.587,12			0249-3901	98320105 FC SAL. OVERTIME	
				50	98320120	48.765,22			0249-3901	98320120 FC/PERSON/HOURLY PAY	
				50	98320122	31.565,06			0249-3901	98320122 FC-STAFF-PERKS	
				40	98320130	- 500,46			0249-3901	98320130 FC HOL & ABS	
				50	98320131	5.098,11			0249-3901	98320131 FC HOL & ABS PROV	
				50	98320141	2.923,55			0249-3901	98320141 FC BONUS PROV	
				50	98320146	6.648,75			0249-3901		
				50	98320204	801,14			0249-3901	98320204 FC SOCIAL CHG PROV 2	
				50	98320229	1.435,86			0249-3901	98320229 SOC. CH EX BONUS ACC	
				50	98320140				0249-3901	98320140 FC BONUS	
				50	98320239				0249-3901	98320239 RV SOC CH/ACC BO Y-1	
				40	57000400	155.389,58		31032022		0249-3901	F30

Do the same for the other cost centers. It can be done in the same item, but be careful to not mess the things up.

The justification can be the cost center range in WP1 in transaction KSB1, and filter the document header text with "PP*" to get everything that comes directly from payroll.

After the posting, check the cost centers and check if the PP* documents + your entry is netting to zero.

1 Payroll Expense to Chemplex
From CC to account 57000400

Layout	/PVZ-CHECK	PVZ-Check
Cost Center	0249-3901.	SNYDER CHEMPLEX...
Report currency	*	Object Currency

Per	Document	RefDocNo	Cost Center	CO object name	Σ	Val.in rep.cur.	RCurr
			0249-3901	SNYDER CHEMPLEX	▪	155.389,58	USD
			0249-3902	BRECKENRIDGE CHEMPLE	▪	45.979,90	USD
			0249-3904	MIDLAND CHEMPLEX	▪	261.050,73	USD
			0249-3907	NEW CORDELL CHEMPLEX	▪	14.138,34	USD
			0249-3915	NUNN PAYROLL CHEMPLE	▪	37.847,17	USD
					▪▪	514.405,72	USD

- JE Item 2 - Reclass Chemplex Payroll Bonus Accrual from balance sheet

The values form item number 2 can be found in tab "Bonus".

Be careful, because the accounts showing in the tab Bonus is the P&L part. It has been reclass in the previous item. So, we need to reclass the balance sheet part as below:

account 98320141 its counterpart in the balance sheet is 42900503 (bonus non-cadre)
account 98320146 its counterpart in the balance sheet is 42900504 (bonus cadre)
account 98320229 its counterpart in the balance sheet is 43900414 (fringe on bonus 15%)

Below is the example how the journal entry needs to be prepared. Notice that to zero the balance sheet accounts, it needs to be posted a debit (40) on them, because the original document is posted as a credit (50).

In addition, the Transaction type used in account 57000400 should be: F20 (increase) if it is a credit (posting key 50) and F30 (decrease) if it is a debit (posting key 40).

ITEM	Company Code	Header Text	Doc Date	Posting Da	osting	G/L account	mount Do	B	Value Da	Cost cen	Text	Transaction Ty
2	7424	Chemplex Payroll Bo	31032022	31032022	40	42900503	6.453,48				Bonus Accrual Non Cadre	
2					40	42900504	37.079,86				Bonus Accrual Cadre	
2					40	43900414	6.530,03				Fringe on Bonus Accrual	
2					50	57000400	6.453,48		31032022		Bonus Accrual Non Cadre	F20
2					50	57000400	37.079,86		31032022		Bonus Accrual Cadre	F20
2					50	57000400	6.530,03		31032022		Fringe on Bonus Accrual	F20

The justification can be the pivot table in tab "Bonus".

2 Bonus Accrual + Fringe from balance sheet to Chemplex

Sum of Amount		
G/L Account	Account Number with Text	Total
⊟98320141	98320141 FC BONUS PROV	6.453,48
⊟98320146	98320146 EXEMPT BONUS ACCRUAL	37.079,86
⊟98320229	98320229 SOC. CH EX BONUS ACC	6.530,03
Grand Total		50.063,37

- JE Item 3 - Reclass the Payroll accrual and its reversal from previous month.

The values form item number 3 can be found in tab "Payroll Accrual".

Be careful, because the accounts showing in the tab Payroll Accrual is the P&L part. It has been reclass in the previous item. So, we need to reclass the balance sheet part as below:

account 98320102 its counterpart in the balance sheet is 42900110 (payroll accrual)
account 98320204 its counterpart in the balance sheet is 43900202 (fringe on payroll accrual)

Below is the example how the journal entry needs to be prepared. Notice that it is being posted the previous month reversal accrual first and after is the accrual for the month, so pay attention in the posting keys.

In addition, the Transaction type used in account 57000400 should be: F20 (increase) if it is a credit (posting key 50) and F30 (decrease) if it is a debit (posting key 40).

ITEI	Company Code	Header Text	Doc Date	Posting Da	osting	G/L account	mount Do	B	Value Da	Cost cen	Text	Transaction Ty
3	7424	Chemplex Payroll Acc	31032022	31032022	50	42900110	- 50.728,16				Payroll Accrual	
3					50	43900202	- 7.454,38				Payroll Accrual	
3					40	57000400	- 50.728,16		31032022		Payroll Accrual	F30
3					40	57000400	- 7.454,38		31032022		Payroll Accrual	F30
3					40	42900110	73.140,62				Payroll Accrual	
3					40	43900202	10.605,40				Payroll Accrual	
3					50	57000400	73.140,62		31032022		Payroll Accrual	F20
3					50	57000400	10.605,40		31032022		Payroll Accrual	F20

The justification can be the pivot table in tab "Payroll Accrual":

3 Payroll Accrual reversal form last month and posting for current month from balance sheet to Chemplex

Sum of Amount		Payroll Date	
G/L Account	**Account Number with Text**	**01/03/2022 VER**	**01/03/2022 ACC**
98320102	98320102 FC PERSO/PROV PROFIT	(50.728,16)	73.140,62
98320204	98320204 FC SOCIAL CHG PROV 2	(7.454,38)	10.605,40
Grand Total		**(58.182,54)**	**83.746,02**
		February Reversal	March Accrual

After preparing it, post it by the applicable tool.

After posting it, check the posting in SAP to guarantee everything was correctly posted.

End of document.