

How to balance FEMS Payroll Claims in accounting software

When Governance claims are generated and approved in FEMS, the following transactions are created and imported into the accounting software:

DATE	BUSINESS EVENT	ACCOUNT	DEPT	ACCOUNT NAME	DEBIT	CREDIT
Claim Approved						
02/05/2021	Claim Approved	40102	0600	Salaries & wages (Governance comp. - T4 needed)	\$238.46	
02/05/2021	Claim Approved	10125	0000	Cheque Clearing		\$238.46
02/05/2021	Claim Approved	20500	0000	Deferred DoBC funding	\$238.46	
02/05/2021	Claim Approved	30500	0600	Ministry funding		\$238.46

These hours are used to populate the payroll module in the accounting software:

<input checked="" type="checkbox"/>	EMPLOYEE	PAY METHOD	REGULAR PAY HRS	VACATION PAY HRS	MEMO	TOTAL HRS	TOTAL PAY
<input checked="" type="checkbox"/>	Employee Name \$158.97 / hour	Paper cheque	1.50		March Governance Payment	1.50	\$238.46

Once the payroll process is complete, and the payment has been made, the accounting software generates:

DATE	TRANSACTION TYPE	#	NAME	MEMO/DESCRIPTION	ACCOUNT #	ACCOUNT	DEBIT	CREDIT
26-03-2021	Paycheque	123456	Employee Name	Pay Period:	10101	10101 Cash		\$238.46
				Gross Pay - This is not a legal pe...	40102	40102 Salaries & wages (all Gov...	\$238.46	
				Employer Taxes	40202	40202 CPP Expense	\$0.00	
				Federal Taxes	20105	20105 Payroll deductions payable	\$0.00	
							\$238.46	\$238.46

The FEMS claim must be marked as 'Paid', which generates the following transactions:

Claim Paid						
02/05/2021	Claim Paid	10125	0000	Cheque Clearing	\$238.46	
02/05/2021	Claim Paid	10101	0000	Cash		\$238.46

This results in a double credit to 10101 Cash.

To adjust for this, either:

1. Point the debit side of the transaction back to 10101 Cash OR
2. Post a monthly adjustment to reverse the sum of the payroll transactions out of cash: DR 10101 Cash (Monthly Gross payroll) and CR 10125 Cheque Clearing (Monthly Gross payroll)

Each Claim Paid transaction and the correcting entry must be marked as 'Cleared' even though they don't appear on the bank statement:

DATE	REF NO. TYPE	PAYEE ACCOUNT	MEMO	PAYMENT	DEPOSIT	✓ ▲ ☐ C	TAX
05-04-2021	BE-789012 Journal	-Split-	Employee Name - A1B2C3	\$238.46		C	

DATE	REF NO. TYPE	PAYEE ACCOUNT	MEMO	PAYMENT	DEPOSIT	✓ ▲ ☐ C	TAX
05-04-2021	BE-789013 Journal	-Split-	March Gross Payroll		\$10,234.00	C	