

How Do I Use Perfect Payroll?

Perfect Payroll is a payroll support tool that identifies potential issues through categorized, severity-based insights to ensure payroll accuracy, compliance, and efficiency.

Overview

Perfect Payroll is a specialized support tool designed for payroll processors. It identifies potential issues during payroll preview or processing by providing actionable alerts categorized by **type** and **severity**. These insights help ensure payroll accuracy and compliance, saving time and reducing errors.

Activation

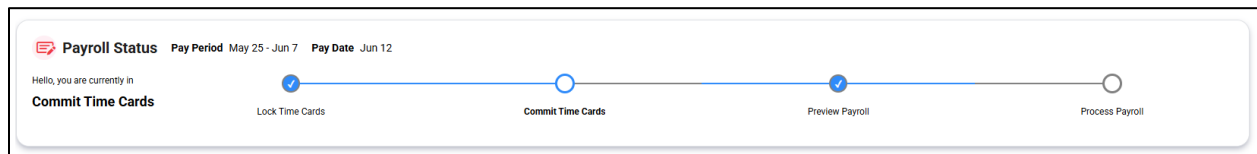
- Activate the **Perfect Payroll** legal service within your system.
- Ensure that users requiring access have either **Payroll Preview** or **Payroll Processing** permissions.

Using Perfect Payroll

- Navigate to the **Payroll Preview** or **Payroll Processing** screen.
- Select **Preview**.
- The system will automatically analyze the payroll and generate categorized insights by type and severity.

Payroll Status

The **Payroll Status** indicator displays your current position in the payroll processing cycle at a glance. A horizontal progress bar shows each applicable phase, with completed phases marked with a checkmark and the current phase highlighted. Future phases appear greyed out until reached.



Phases vary based on your client configuration. Examples include:

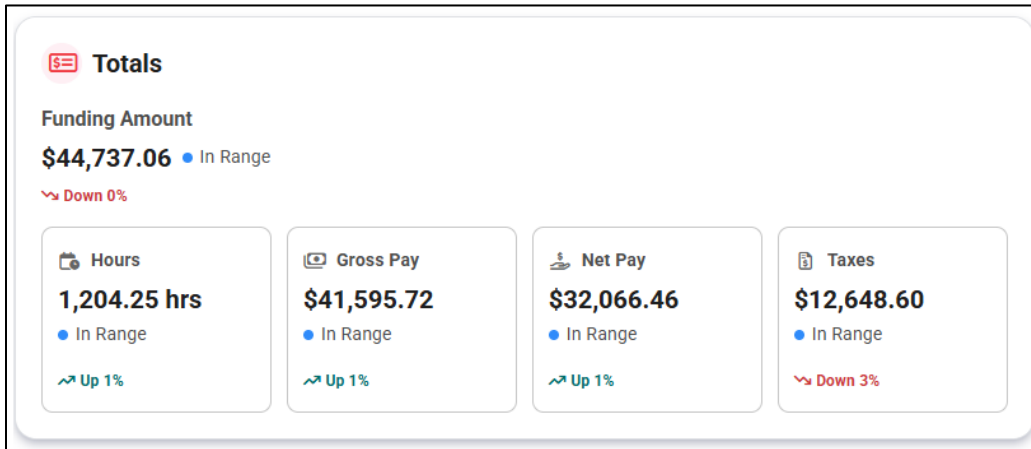
- Basic Payroll: **Preview Payroll** > **Process Payroll**
- Payroll with Time: **Lock Time Cards** > **Commit Time Cards** > **Preview Payroll** > **Process Payroll**
- Client Submits / Service Bureau Processes: **Submit Payroll** > **Preview Payroll** > **Process Payroll**

Hovering over a completed phase displays the date and time that step was completed.

Totals

The **Totals** widget displays your current payroll totals alongside a 10-payroll rolling average comparison. Metrics include Funding Amount, Hours, Gross Pay, Net Pay, and Taxes. Each metric shows the current value and indicates whether it is In Range or Out of Range based on the rolling average.

Note: If fewer than 10 regular payrolls exist, the widget uses the available data for calculations.

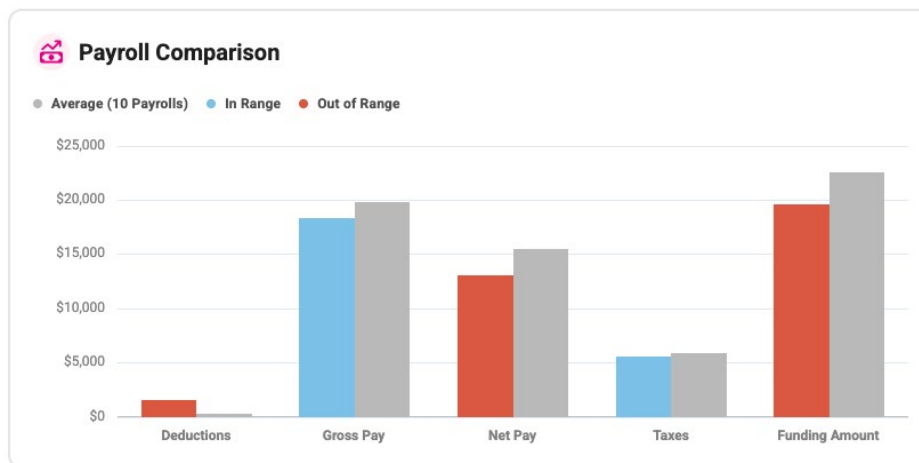


Payroll Comparison

The **Payroll Comparison** chart visually compares your current payroll totals against the average of up to the last 10 regular payrolls in the pay group.

Key indicators:

- **In Range:** Values within 10% of the rolling average
- **Out of Range:** Values exceeding a 10% variance from the rolling average



Insights

The **Insights** graph visually compares the average of up to the last 10 regular payrolls in a pay group.

Key indicators:

- **In Range:** Payroll values within 10% of the average.
- **Out of Range:** Payroll values exceeding a 10% variance.

Note: If fewer than 10 regular payrolls exist, the graph uses the available data for calculations.

Insights

REFRESH EXPORT

Category	Rule Name	Severity	Description
Tax And Wage Anomalies	Excessive Payroll Amounts	High	Total payroll funding amount of \$ 19,586.80 is significantly less than the average of \$ 22,533.30.
Tax And Wage Anomalies	Excessive Payroll Amounts	Medium	The Net Pay for Edward Eel of \$ 435.00 is significantly less than the average of \$ 1,580.04.
Tax And Wage Anomalies	Deductions & Garnishments not taken due to insufficient net pay	Medium	Edward Eel has a garnishment of \$ 453.65 for Bankruptcy that was not taken due to insufficient net pay
Employment Compliance Concerns	New Hire in New Hire File with missing required data	High	James Smith is a new hire included in the new hire file but has missing required data: Birth Date, SSN.
Employment Compliance Concerns	New Hire in New Hire File with missing required data	High	Anna Jones is a new hire included in the new hire file but has missing required data: Birth Date.
Employment Compliance Concerns	Unauthorized Tax Jurisdiction	High	Monkey Business (Code: GF0003) has a missing Tax ID for "Utah - EE W/H".
Employment Compliance Concerns	Unauthorized Tax Jurisdiction	High	Monkey Business (Code: GF0003) has a missing Tax ID for "Utah - ER UI".
Employment Compliance Concerns	Unauthorized Tax Jurisdiction	High	ITIN Employee is located in a jurisdiction with IOWA WH. This jurisdiction is not authorized and therefore the

Severity Levels

Perfect Payroll organizes insights that are classified by **severity levels**:

- **Critical:** Must be corrected immediately and critical impact to W-2 and tax filing. Some examples include Invalid SSN, Duplicate SSN, Missing SSN, or Unauthorized Tax Jurisdictions.
- **High:** Causes incorrect pay, compliance risk, or fraud indicators. Some examples include Negative Wages, QTD Tax Variance, Duplicate Bank Accounts, Missing Timesheets, or Invalid Classification.
- **Medium:** Review recommended but does not impact the processing of payroll. Some examples include Zero Net Pay, Unapproved Bonuses, Benefit Enrollment Anomalies, or Overlapping Schedules.
- **Information:** Awareness only and no action is required. Some examples include Approaching Tax Limits, Upcoming Bank Holidays, or SOC Code Missing, Contribution Limit Met.

Severity Level Examples:

- **Banking and Payment Issues**
 - Duplicate Bank Accounts (High): Alerts when multiple employees share the same direct deposit account number.
 - Upcoming Bank Holidays (Info): Notifies about upcoming holidays to help avoid payroll submission delays.
- **Employment Compliance Concerns**
 - Unauthorized Tax Jurisdiction (Critical):
 - Flags employees in jurisdictions where tax withholding is not authorized.
 - Identifies employees missing Tax IDs in specific locations.
 - Benefit Enrollment Anomalies (Medium):
 - Checks for discrepancies in benefit enrollment eligibility, coverage codes, dependents, or cost bands.
 - New Hire Data Issues (Info):
 - Alerts for employees missing essential details like SSNs.
 - Flags new hires not included in the new hire file.
- **Employment Details Inconsistencies**
 - Birth Date Missing (Medium): Notifies about employees with missing birth dates.
 - SOC Code Missing (Info): Flags missing Standard Occupational Classification (SOC) codes.
- **Payroll Processing Errors**
 - Missing Timesheets (High):
 - Alerts when timesheets are partially or unverified.
 - Flags timesheets requiring supervisor approval, where no supervisor is assigned.

- Unusual Pay Rate Changes (Info): Identifies employees with significant deviations in hourly rates compared to prior payrolls.
- Overlapping Schedules (Medium): Flags overlapping or inconsistent schedule and work-hour data.
- **Personal Identification Discrepancies**
 - Invalid SSN (Critical): Identifies employees with:
 - Incorrectly formatted SSNs (e.g., invalid length, characters, or SSNs starting with 0 or 9).
 - ITINs or EINs incorrectly associated with W2 wages.
 - Duplicate SSN (Critical): Flags duplicate SSNs within the same pay group.
 - SSN Missing (Critical): Alerts employees without assigned SSNs.
- **Tax and Wage Anomalies**
 - Zero Net Pay (Medium): Alerts for employees being paid \$0 in net payroll.
 - Excessive Payroll Amounts (High):
 - Payroll totals that deviate by 10% or more from client averages.
 - Individual employee net pay amounts differing by 10% or more from their average.
 - Deductions/Garnishments Errors (Info): Notifies about deductions or garnishments not applied due to insufficient wages.
 - Excessive Wages or Hours (High): Identifies wages/hours exceeding 10% above average or workweek limits.
 - Taxes – QTD Variance (High): Alerts discrepancies within quarterly tax totals by identifying the affected tax name and variance amount.

Review Checklist before Payroll Submission

- Confirm there are **no Critical or High Errors** in Perfect Payroll. It is best practice to review Medium errors, but they will not prevent payroll processing.
- Review flagged information for accuracy and compliance.
- Submit payroll before any upcoming holidays.

Tip: Regularly review your system setup to ensure Tax IDs, SOC codes, and employee data are up-to-date.

FAQs

What happens if I don't resolve an error classified as critical?

- **Critical errors** must be addressed immediately to ensure legal compliance and prevent payroll processing failures.

Can I use Perfect Payroll for non-standard payroll types?

- Perfect Payroll is designed to analyze regular payroll runs. For non-standard payrolls, some insights may not apply.

How does Perfect Payroll classify severity?

- Severity levels are determined based on the potential impact:
 - **Critical:** Must be corrected immediately as there is a critical impact to W-2 and tax filing
 - **High:** Causes incorrect pay, compliance risk, or fraud indicators
 - **Medium:** Review recommended, does not block processing
 - **Information:** Awareness only, no action required

Why is my Payroll Insights Graph showing "Out of Range"?

- This occurs when payroll totals deviate by more than **10%** from the rolling average of your last **10 payroll runs**.