

# Glossary of Payroll Terms

Welcome to the OSPS Glossary of Payroll Terms. OSPS developed this glossary to help new payroll staff members and employees navigate the terms surrounding State of Oregon payroll systems.

## A

Accrue	An earned benefit that increases over time. Most often used with "accrued leave".
ACH Electronic Deposit	The Automated Clearing House processes electronic transactions between financial institutions. For OSPA, ACH refers to an employee's use of direct deposit for all or a portion of the employee's pay. OSPA allows employees to have up to eight fixed amount electronic deposits and one net pay deposit.
ACH Rejects	<p>ACH rejects are unsuccessful data or money exchanges between the state and the recipient's financial institution.</p> <p>The Oregon State Treasury receives notice when an employee's financial institution rejects a deposit or pre-note attempt. Treasury in turn notifies OSPS once a day. OSPS then notifies state agencies via fax, or by phone if there is money involved. Agency payroll needs to correct the deposit information in OSPA.</p> <p>OSPS processes ACH rejects between 10:30 a.m. and 11:30 a.m. each workday. See more detail about this process in the report guide <a href="#">here</a>.</p>
ACH Stops	Prevent the transmission of a direct deposit. Agencies must request the ACH stop by 10:15 a.m. on the second day after each final payroll run cutoff. To request an ACH Stop from OSPS, please complete the <a href="#">ACH Stop Form (pdf)</a> .
AHRP	Annualized Hourly Rate of Pay. To calculate, take the ADJUSTED BASE from the P030 ÷ 173.33 (if STANDARD HRS PER DAY = 8)
Assumed Wages	The dollar value of work performed by unpaid volunteers. For Workers Compensation Insurance reporting, multiply the number of hours volunteered by the federal minimum wage.

## B

Benefit Package Code	A two-letter code that defines employee representation in OSPA. OSPS, the Chief Human Resources Office and the agency develop codes jointly. The codes interface from the PPDB to the OSPA.
Biennium	A period of two years beginning July 1 of each odd-numbered year. We designate the biennium by the last two digits of its last year. For example, the July 1, 2011 to June 30, 2013 biennium = the 13 biennium.

## C

CBIW	Under the Continuation of Benefits for Injured Workers program, employees with an open SAIF claim continue to receive employer-paid health insurance.
CICS	The Customer Information Control System is software that allows programs to run in an interactive, on-line, real-time mode. It has been described as an operating system within an operating system. For OSPA, CICS gives access to the state's mainframe computer.
CESN	CICS Environment Sign On. CESN initiates the sign-on process for mainframe access.
Cloning	When an employee transfers from one state agency to another, the gaining agency copies or clones the employee's information from the losing agency. The P071 screen copies deduction, tax, retirement, adjustments to gross pay, and work schedule data.
Closed Pay Period	Pay periods close on the night of final cutoff for Run 2. For example, pay period ending 12/31/xx would close after December Run 2 around January 10. See the OSPS Processing Calendar for specific cutoff dates.
COBRA	The Consolidated Omnibus Budget Reconciliation Act ensures eligible employee who leave state service can continue employer-provided group health insurance. This is a federally-mandated program.
Concurrent Job	When an employee holds more than one part-time job in an agency at the same time, the PPDB creates concurrent jobs to track the details for each job. It assigns concurrent job numbers from 1 to 9.

Constructive Receipt	Constructive Receipt describes when the employee has access to monies or a fringe benefit. We most often use it to decide which tax year to credit a payment or benefit.
Corrective	When you need to adjust a closed pay period, one option is to set the corrective flag on the P190 screen. OSPA will process any information entered since final run 2 for the pay period.
Crossfoot	Crossfooting is an accounting procedure to compare the totals of each column to the total for the row.  OSPA may display a cross foot error message on the P070 screen. Ensure that "SHARE FIXED" + "EMPLR SHARE" = "PEBB ADMIN" + "VENDOR SHARE".
Current Pay Period	The pay period that is currently open, i.e., not yet closed. Pay periods are open from the day after the prior month's final Run 2 until the current month's final Run 2. Generally, the current pay period runs from the 11th of one month to the 10th of the next month. See the current OSPS Processing Calendar for specific dates.

## D

Date Critical	OSPA screens where you must include the pay period ending date in the screen key to see information for a particular pay period.
Date of Concern	An optional date that is part of the screen key on some screens, MMDDYY.
Date Sensitive	OSPA screens which use a particular date to identify information for a certain period, such as a job segment on the P030 screen. Date entry is optional.
Decline PEBB Benefits	In declining PEBB benefits, the eligible employee declines his/her right to the employer contribution and enrollment in any of the insurance plans available through PEBB. This includes flexible spending accounts and all optional insurance plans.
Deduction Code	Four-character code used to deduct money from an employee's paycheck. See the OSPA Reference Manual, Codes, Deduction Codes and Garnishment Codes.
Defined Benefit Plan	A benefit-based retirement plan that uses predictable criteria to determine the retirement benefit. The criteria might include salary x length of service x a factor.

Defined Contribution Plan A retirement plan that has no guarantees. Members contribute; employers may or may not also contribute. When a member retires, he or she receives the contributions plus any earnings and minus any losses.

Dues Paying Union Member An employee who has completed a membership agreement with the union that represents the employee's position. By becoming a member, the employee authorizes agency payroll to deduct monthly union dues.

## E

Effective Date The specific entry will take effect for this pay period end date.

Employee Pick-Up The state as the employer pays (or "picks up") the employee's contribution to PERS.

Emulator Hardware or software that permits programs written for one computer to run on another computer. For OSPA purposes, this is the software used to interact with the payroll system. Popular programs include Hummingbird, PassPort, and WC3270.

Equivalent Hourly Rate Shown on the P030 screen (EQUIVALENT RATE). Employee's monthly salary ÷ 173.33 (based upon STANDARD HRS PER DAY = 8)

ERB Employee Relations Board

Exempt Employee Employees who are not subject to the Fair Labor Standards Act (FLSA). They are paid an annualized salary for performing the whole job, not for actual hours worked. These employees do not track, earn or receive overtime pay.

## F

Fair Share Employees Employees who have not joined the union representing their position with the State. The employees must contribute an amount equal to the amount paid for union membership.

FICA The Federal Insurance Contributions Act created a federal system of old age, survivors, disability and hospital insurance. The social security tax finances the old age, survivors and disability

insurance. The Medicare tax finances the hospital insurance. OSPS reports each of these taxes separately to the federal government.

Final Cutoff

The last day of a payroll run. The final run produces paychecks and direct deposits, payroll reports, and system interfaces as the official payroll record. The OSPA does not update the application's databases until final payroll run.

FLSA

Fair Labor Standards Act

FLSA Exempt

Employees who have been classified by agency personnel as exempt from FLSA protection.

FLSA Rate /  
FLSA Regular Rate of Pay

FLSA regular rate of pay for calculating overtime pay. FLSA subject dollars ÷ FLSA subject hours or the month.

FMLA

The federal Family and Medical Leave Act protects jobs and benefits for workers taking leave for various family and medical reasons.

Forecasted Time

OSPA uses the full-time percent on the P030 screen and the work schedule code on the P020 screen to forecast time for salaried employees.

OSPA forecasts this time during preliminary Run 1. If the employee does not have actual time entered, OSPA will use the forecast to pay a salaried employee for final run 1. If the employee has additional time entry after final run 1 that results in additional pay, OSPA will make the payment for final run 2.

FRRP

FLSA Regular Rate of Pay. The FLSA defines "regular rate" as "... all remuneration for employment except seven specified types of payments. Among these excludable payments are discretionary bonuses, gifts and payments in the nature of gifts on special occasions, contributions by the employer to certain welfare plans and payments made by the employer pursuant to certain profit-sharing, thrift and savings plans. These are discussed in Secs. 778.211 through 778.214. Bonuses which do not qualify for exclusion from the regular rate as one of these types must be totaled in with other earnings to determine the regular rate on which overtime pay must be based. Bonus payments are payments made in addition to the regular earnings of an employee."

## G

Grant

A contribution or gift of cash or other assets for a specific purpose, activity or facility.

Gross Pay Adjustment

An adjustment made to an employee's total wage dollar amount. It can be either an increase or a decrease, depending on the adjusting information. Use the P050 screen to record gross pay adjustments.

## H

HIPAA

Health Insurance Portability and Accountability Act

## I

## J

Job Segment

Within the same concurrent job, the employee may have changes to the conditions of employment, such as pay rate, work-out-of-class, percent of full-time status, benefit package, leave accrual service code, etc. Each time a staff member makes a change in the PPDB, the application interfaces an end date for the existing job segment to OSPA. It also creates and interfaces a new job segment that reflects the change.

Joint Payroll Account (JPA)

The revolving or zero-balance account in the State Treasury established by statute to fund agency payroll payments from OSPA. Agencies must reimburse this account for their expenses.

## K

## L

LARS

The Leave Accrual and Reporting System is a database within the payroll system created to track and calculate leave accrual and usage based on regular paid hours in the current pay period.

LWOP

Leave Without Pay

## M

Mass Transit Tax

An employer paid tax on the wages of state employees whose official duty station is located within a valid mass transit district. This tax is paid at the rate outlined in the Oregon Accounting Manual Policy 50.60.00.PO Mass Transit Tax per the authority granted in ORS 291.405 and 291.407.

Medicare Tax

The Medicare tax is 1.45% of subject earnings for both the employer and employee. Unlike Social Security, there is no maximum salary limit subject to Medicare tax. It displays as MEDR on pay stubs and registers.

## N

NACHA

National Automated Clearing House Association

## O

OAM	Oregon Accounting Manual
OAR	Oregon Administrative Rules
OFLA	Oregon Family Medical Leave Act
Online Daily Time (ODT)	ODT is a method of recording employee time in OSPA. Employees with ODT enter and monitor their own time on the P004 and P005 screens. Employees can view a summary of the month on the P007 screen. Supervisors lock or approve employee time on the P006 screen.
OPE	Other Payroll Expense - the employer's cost for the employee in addition to the gross salary. This includes FICA tax, PERS, insurance benefits, workers' benefit fund (WBF) and mass transit tax. The Budget and Policy section of the Chief Financial Office determines the OPE rate for state agency budgets each year.
OPSRP	Implemented 8/29/03, the Oregon Public Service Retirement Plan is both a defined contribution plan (Individual Accounts) and a defined benefit plan. PERS administers the plan.
Opt Out (insurance)	Under OAR 101-020-0015, an eligible employee covered by another employer sponsored group medical plan may opt out of PEBB medical or both medical and dental insurance coverage.
ORBITS	Oregon Budget Information Tracking System
ORS	Oregon Revised Statutes
OSPA	Oregon State Payroll Application – The system used by agency payroll representatives to track hours, pay and benefits for state employees.
OSPS	Oregon Statewide Payroll Services is a section in the Financial Business Services unit of the Enterprise Goods and Services group at the Department of Administrative Services. It is responsible for maintaining OSPA and providing system support for agency payroll, and for providing payroll services to DAS and client agency employees.
Other Taxable Income	Any employer provided cash payment or non-cash fringe benefit that is reportable as taxable income on the W-2 form.

## P



P010 Dates or P-10 Dates	<p>"P010 Dates" refers to the "Final Check Issued" and "Final Check Period Ending" date fields on the P010 Withholding Data / Locator Data screen.</p> <p>* NOTE: "November P010 Dates" when referring to year-end activity means filling both of the above fields with 11/30/XX dates.</p>
Pay Period	For the State of Oregon, a pay period is a calendar month within a calendar year in which an employee worked for the State. A pay period is from the first to the last day of the calendar month.
Pay Period End Date or PPE	The last day of any given month. Example: PPE 053113 is the pay period end date for the May 2013 payroll month.
Payroll Run	"Payroll Run" generally refers to the next, or upcoming, time that payroll data will process through OSPA. There are two payroll runs per pay period. Run 1 happens near the end of the month, and Run 2 happens near the middle of the next month. See the OSPS Reference Manual, Introduction, Introduction to Payroll (pdf).
PEBB "dot" benefits (PDB; pebb.benefits)	Web-based application used to administer PEBB benefits.
PEBB	Public Employees' Benefit Board, the organization responsible for administering health insurance benefits for state employees.
PERS	Public Employee Retirement System refers to both the state retirement plan and the agency that administers it.
PERS Eligibility Date	The date an employee is eligible for membership in one of the PERS retirement plans. The state will begin contributing to PERS on the eligibility date. Please refer to the PERS Employers Manual.
Personnel Action or PA	Official notice from the agency personnel office that they have changed job information in the PPDB for a state employee.
PICS	State agencies use the Position Inventory Control System to manage authorized positions on a statewide level. ORBITS uses data from PICS to develop Personal Services budget requirements for agency budgets. PICS is part of the PPDB.
PIN or P.I.N.	Personal Identification Number for online daily time. The PIN plus the employee's Social Security or Employee ID number create the employee's official electronic signature for ODT. The PIN consists of numbers only.

Plan Code	In OSPA, the plan code is a division of the larger deduction code. For example, deduction code SWNN (for PEBB Statewide Medical insurance) has plan codes that describe the employee's level of coverage. See the OSPA PTD2 screen for the plan codes of any given deduction code.
POB	The state issued Pension Obligation Bonds during the 2003-05 biennium to reduce the PERS unfunded actuarial liability. Agencies repay the bonds through assessments which are determined by the Budget and Management office (BAM).
PPDB	The Position and Personnel DataBase is a mainframe application that maintains the employment history for each state employee. It interfaces classification and compensation data to OSPA.
Preliminary Cutoff or Prelim	OSPA runs a batch cycle that edits against payroll calculations and produces exception reports. Agency payroll use the reports to identify data to change prior to the final run. This run does not post to the tables or generate payments.
Pre-note	For the first pay period when you enter an ACH direct deposit deduction on the P070 screen, OSPA will send a "zero" test record to the employee's financial institution. OSPS will notify you if there are problems with the transaction. If no problems occur, the employee's direct deposit will begin the following month.
PUIS	The Payroll User Identification System is the program that authenticates payroll users within the mainframe environment of the OSPA.

## Q

## R

R*STARS	Relational Statewide Accounting and Reporting System - the state's accounting system
RACF or RACF ID	CICS uses the Resource Access Control Facility ID to grant security access to the DAS mainframe computer. The PPDB generates the RACF. It displays in the USER ID field on the Employee Reference Display screen (F4) in the PPDB.

Reimbursement of Expense	Non-taxable expense reimbursements recorded and paid to an employee through OSPA.
Retroactive Payroll Run	OSPS determines when to run Retroactive Payrolls for pay periods three to six months prior. Generally, OSPS runs them only when labor contracts for large numbers of employees are settled more than three runs beyond the registers maintained online.
Run with Payroll	"Run with Payroll" means to wait until the next payroll run to process outstanding items. There are two payroll runs per month.

## S

SAIF	The State Accident Insurance Fund Corporation is a self-supported, not-for-profit corporation. It is the carrier for the state's workers' compensation insurance.
Salaried Employee	Employee is compensated a set amount per month based upon an annual amount, rather than being compensated on an hourly rate for specific hours worked. Salaried employees can be classified as FLSA-subject or FLSA-exempt.
Screen Key	Required information entered after the screen identifier to retrieve a record on one of the OSPA screens. Example: P010 OR9999999 99900.
SFMA	The State Financial Management Application has two parts - the Relational Statewide Accounting and Reporting System (R*STARS) and the Advanced Purchasing and Inventory Control System (ADPICS).
SHRP Rate	Salary Hourly Rate of Pay. Employee's monthly salary divided by the number of actual work hours in the month.
Split Screen. Split Time Screen or, Split Timesheet Screen	When HR enters a personnel action in the PPDB that will affect time worked or leave accrual during the month, OSPA will create a second time screen based on the new information .  If the personnel action happened before Prelim Run 1 of the current pay period, OSPA will automatically allocate time to each segment based on the P020 schedule.

If the personnel action happened after Prelim Run 1, this will be on exception reports. Agency payroll will manually adjust the time.

**Stale-Dated Check** Checks that remain untendered two years after the date inscribed on them are "stale-dated" and are no longer negotiable. Each year agency payroll attempts to locate owners of stale-dated checks. If they cannot, OSPS transfers the money set aside to fund those stale-dated checks to Oregon State Lands.

State Match

PERS contributions paid by the state as the employer. The PERS Board determines the rates.

## T

Tables

OSPA tables provide a method for maintaining and displaying facts related to employee benefits, leave accrual rates, available pay types, and work schedule codes. OSPS maintains the tables. Other system users have view-only access.

There are three main sets of tables: Benefits (PTB1 and PTB2), Deductions (PTD1 and PTD2) and Work Schedules (PTW1 and PTW2).

Tax Deferred Annuities

A retirement plan under Section 403(b) of the Internal Revenue Code that permits employees of public educational organizations or tax-exempt organizations to make before-tax contributions via a salary reduction agreement to a tax-sheltered retirement plan. Employers may also directly contribute on behalf of employees.

Tax Withholdings

Mandatory withholding of Federal and/or State Income, Social Security and Medicare taxes.

Taxable Income

Income remaining after all pre-tax deductions and adjustments.

Time Capture

OSPA screens for recording the employee's hours worked, leave hours used, overtime to pay, etc. They ensure accurate pay and payroll records for the employee for any pay period. OSPA uses a series of seven screens, P001 through P007.

Timesheet Codes

These codes determine if the employee will receive a paper timesheet, and if so, the type of timesheet. These codes are entered in the PPDB and interfaced to the OSPA P030 screen.

Timesheets

OSPA has two printed timesheet formats - short (8.5 x 11") form and long (8.5 x 14") form. These forms meet the FLSA standards for maintaining a time and attendance record for a non-exempt employee.

OSPA will not generate a timesheet until the employee is in the PPDB.

## U

USERRA

President Bill Clinton signed the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA 38 U.S.C. 4301-4334) on October 1994. It protects the civilian employment of non-full time military service members called to active duty. The law applies to all United States uniformed services and their respective reserve components.

## V

Voluntary Deductions Deductions authorized by the employee explicitly or through employment agreements in addition to the mandatory tax withholdings. Some examples include insurance, Oregon Savings Growth Plan contributions, union dues/fair share and ACH deposits.

## W

Waiver Class & Date  
P010 Screen

The WAIVER fields on the P010 screen record the core PEBB insurances the employee has On the declined.

Work Schedule Code

A three-digit, alpha/numeric code on the PTW1 Payroll Work Schedule Table that designates a unique standard work schedule.

Workers' Benefit Fund Oregon employers collect a Worker's Compensation assessment from employees for each subject hour or part of an hour worked. They match these funds and pay them to the Workers' Benefit Fund.

This fund supports such programs as Handicapped Workers Program, Reemployment Assistance Program, and payments to employees for non-complying employers. The Department of Consumer and Business Services administers the fund.

Workers' Compensation

Workers' compensation insurance (often called "workers' comp") provides benefits for workers who are injured on the job. Workers' compensation insurance protects workers by paying for medical treatment and lost wages. It also protects employers from liability lawsuits from work-related injuries or illnesses.

X

Y

Z