

# PAYX Account Clearing

Escape will automatically post a **Payroll “Sweep” Journal Entry** after payroll processing is completed for each regular, supplemental, and manual payroll. This process moves certain balances remaining in the district’s **Payroll Transfer Fund (Fund 76)** into the district’s **General Fund (Fund 01)** as a liability or receivable to be cleared. Districts should research and clear these balances each month.

To review balances in PAYX accounts, run the Fiscal 02 Account Summary by Object Balance report, filtering by unit code PAYX (or search 61johnsm report favorites for the PAYX Balances report shown below and save it as your own favorite report).

**Report Favorites**

To save this report, click on the Favorites drop-down menu and choose “manage”, which will bring up the “Manage Report Favorites” screen shown below. Click “Add” and then name the report, and Save. Each year you will need to update the fiscal year in the report. Each time a change is made, open the Manage Report Favorites screen again from the Favorites drop-down menu and click “Replace”, and Save.

**Custom Report Distribution Option**

A report favorite can be set-up to email to yourself on a scheduled day/time. Since the Payroll Sweep occurs automatically each month with the posting of payroll, this report could be set-up to email to yourself on the 1<sup>st</sup> of each month, alerting you to PAYX balances that resulted from the last payroll right away. Follow the set-up options/steps highlighted here.

The Fiscal 02 report below will be generated and Account Balances are shown on the right for each PAYX account.

A starting balance indicates that the amount(s) rolled over from the prior year (re-run the report for the prior year to review details for these balances).

Account balance should be zero for each PAYX account by fiscal year-end each year.

Fiscal02a

Account Summary by Object-Balance

Balances through July (01)						Fiscal Year 2024/25		
FF- RRRR- Y- GGGG- FFFF- OOOO- SSS- MMM- UUUU	Description	Starting Balance	Debit	Credit	Account Balance			
<b>Fund 01 - General , Unit PAYX - Payroll Sweep</b>								
01- 0000- 0- - - 9200- - - - PAYX	A/R		532.82	532.82				
	<b>Total for Object 9200</b>	<b>.00</b>	<b>532.82</b>	<b>532.82</b>	<b>.00</b>			
01- 0000- 0- - - 9201- - - - PAYX	A/R-Prior Year	59,411.21	59,411.21	532.82	58,878.39			
	<b>Total for Object 9201</b>	<b>59,411.21</b>	<b>59,411.21</b>	<b>532.82</b>	<b>58,878.39</b>			
	<b>Total for Org 018, Fund General, and Unit PAYX</b>	<b>59,411.21</b>	<b>59,944.03</b>	<b>1,065.64</b>	<b>58,878.39</b>			
<b>FF- RRRR- Y- GGGG- FFFF- OOOO- SSS- MMM- UUUU</b>								
01- 0000- 0- - - 9500- - - - PAYX	AP-Current			105.13	105.13			
	<b>Total for Object 9500</b>	<b>.00</b>	<b>.00</b>	<b>105.13</b>	<b>105.13</b>			
01- 0000- 0- - - 9501- - - - PAYX	AP-Prior Year	5,331.80	5,436.93	5,331.80	105.13-			
	<b>Total for Object 9501</b>	<b>5,331.80</b>	<b>5,436.93</b>	<b>5,331.80</b>	<b>105.13-</b>			
01- 0000- 0- - - 9577- - - - PAYX	PriorMiscConDed		220.27		220.27-			
	<b>Total for Object 9577</b>	<b>.00</b>	<b>220.27</b>	<b>.00</b>	<b>220.27-</b>			
	<b>Total for Org Fund General, and Unit PAYX</b>	<b>5,331.80</b>	<b>5,657.20</b>	<b>5,436.93</b>	<b>220.27-</b>			

Click on the blue hyperlink for the account to review the account details, noting the payroll transaction date(s).

Fiscal03a

Account Transaction Detail by Object-Balance

Detail for Dates 07/01/2024 through 08/01/2024						Fiscal Year 2024/25		
Ref#	Pay To Name	Journal #	Description	Trans Date	Debit	Credit	Account Balance	
<b>Fund 01 - General</b>								
01-0000-0- - - 9577- - - - PAYX	PriorMiscConDed							
		CT25-00019	PR 07-11-2024 Sweep	07/11/24	53.10		53.10-	
		CT25-00027	PR 07-17-2024 Sweep	07/17/24	1.43		54.53-	
		CT25-00055	PR 07-31-2024 Sweep	07/31/24	165.74		220.27-	
			Account Total	08/01/24	220.27	.00		
			<b>Total for Org 018 and Fund General</b>		<b>220.27</b>	<b>.00</b>	<b>220.27-</b>	

To clear the balance, the PAYX account needs a credit of \$220.27. The specific benefit account(s) related to the employee(s) would receive the debit, or a vendor refund check could be credited to the PAYX liability account directly.

Debit	Credit	Account Balance
220.27	.00	220.27-

The Transaction Date identifies the payroll in which the issue occurred and triggered the sweep. Use the Transaction date to search for the employee(s) and vendor(s) on that specific payroll to identify the action needed and the accounts for any necessary journal entries. Reference the "Payroll Sweep Journal Entry" document on page 5 for example actions related to each specific PAYX liability or receivable object code.

Recommended Reports (Enter the payroll Transaction Date in Starting Pay Date field – ex. 9-30-24):

- Pay 18 – Vendor Liabilities (look for negative amounts in Liability column or the \$ amount)
- Pay 17 – Vendor Pay Detail (look for that vendor and identify the employee with negative)
- Pay 16 - Vendor Summary (scan for negative payment amounts)

From the Fiscal 03 example on page 2 above showing a PAYX balance in object 9577 of \$220.27 to be cleared, see example reports below identifying the vendor associated with the negative pay/refund (Pay 18) and the corresponding employee (Pay 17). Use Pay 10 to search the employee’s associated payroll and benefit accounts.

Detail for Dates 07/01/2024 through 08/01/2024					Fiscal Year 2024/25		
Ref#	Pay To Name	Journal #	Description	Trans Date	Debit	Credit	Account Balance
<b>Fund 01 - General</b>							
01-0000-0-	-	-9577-	-	PAYX PriorMiscConDed			
		CT25-00019	PR 07-11-2024 Sweep	07/11/24	53.10		53.10-
		CT25-00027	PR 07-17-2024 Sweep	07/17/24	1.43		54.53-
		CT25-00055	PR 07-31-2024 Sweep	07/31/24	165.74		220.27-
			Account Total	08/01/24	220.27	.00	
			<b>Total for Org █████ and Fund General</b>		<b>220.27</b>	<b>.00</b>	<b>220.27-</b>

Example 1:

Pay18a

Vendor Liabilities

Pay Date 07/11/2024								Fiscal Year 2024/25
Vendor	Id	Code	EE Obj	ER Obj	Employee	Employer	Liability	Check
Federal Income Tax	999012	FIT	9587	9587	85.30		85.30	
Medicare EE Contribution	999015	MEDICARE	9533	9533	32.81		32.81	
Medicare ER Contribution	999016	MEDICARE	9533	9533		32.81	32.81	
SISC - Defined Benefit Plan	99980A	Combined	9577	9577	18.17-	34.93-	53.10-	

Pay17a

Vendor Pay Detail

Pay Date 07/11/2024 through 07/11/2024							
Employee	(ID)SSN4	Code (Opt)	CR Object	Employee	Employer	Total	Description
99980A - SISC - Defined Benefit Plan							
Hernandez, E █████	(005765) 0484	Combined (C)	9577	18.17-	34.93-	53.10-	SISC DB ARP
<b>Total for Pay Date 07/11/2024</b>				<b>18.17-</b>	<b>34.93-</b>	<b>53.10-</b>	<b>Employee Count 1</b>

Example 2:

Pay18a

Vendor Liabilities

Pay Date 07/31/2024								Fiscal Year 2024/25
Vendor	Id	Code	EE Obj	ER Obj	Employee	Employer	Liability	Check
ACSA - Assn Of Ca School Admin	999514	Combined	9577	9577	165.74-		165.74-	

Pay17a

Vendor Pay Detail

Pay Date 07/31/2024 through 07/31/2024							
Employee	(ID)SSN4	Code (Opt)	CR Object	Employee	Employer	Total	Description
999514 - ACSA - Assn Of Ca School Admin							
B Johnson, G █████	(000195) 2704	Combined (C)	9577	165.74-		165.74-	Ref ACSA Jun dues
<b>Total for Pay Date 07/31/2024</b>				<b>165.74-</b>	<b>.00</b>	<b>165.74-</b>	<b>Employee Count 1</b>

In both examples above, the PAYX balance in object 9577 is the result of a refund due to an employee from a vendor such as SISC or ACSA. An adjustment was posted in payroll to initiate the refund, which resulted in a negative vendor check. The balance remains in the payroll transfer fund (Fund 76) because the system cannot print a negative warrant. The sweep automatically moves the debit balance to the PAYX liability account in the district's general fund. Once received, the vendor refund check can be credited to the PAYX account to resolve the balance, or in some cases a journal entry may be needed to move the balance back to the corresponding employee's benefit account.

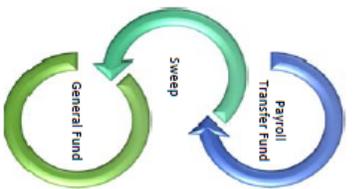
- See page 5 for examples of payroll items that cause balances in the PAYX accounts and recommended actions to resolve them.

**SBAS Process:** Each month, the SBAS payroll team reviews the automatic payroll sweep journal entries and resulting PAYX balances. Our process is to inform the district CBO of these balances each month via email, and attach reports showing the vendor/employee that correspond to the PAYX balance(s).

**District process:** It is the district's responsibility to take the action needed to clear the PAYX liability or receivable balances each month. For assistance, please contact Myron in SABS at 805-964-4710, ext. 5280 or [www.sbceo.org/sbas](http://www.sbceo.org/sbas).



**Note:** PAYX balances that are not cleared will roll forward to the next fiscal year and will continue to do so until they are cleared. It is important to review these balances on a monthly basis and clear them timely.



# Payroll "Sweep" Journal Entry



Escape will automatically post a Payroll "Sweep" Journal Entry after payroll processing is completed for each regular, supplemental, and manual payroll. This process moves certain balances remaining in the district's Payroll Transfer Fund (Fund 76) into the district's General Fund (Fund 01) according to the table below. Each district will be responsible for researching and clearing balances each month.

	Sweep Journal Entry (Automatic posting by Escape)		To research payroll detail...
	FROM Payroll Transfer Fund	TO General Fund	
<b>9200</b> Accounts Receivable (AR)	76- - - - -9200- - - -	01- - - - -9200- - - PAVX	<b>Step 1:</b> Finance > Fiscal > Account: Search by Fund 01/ Object 9200/ Unit PAVX and drill down on the account detail to identify the pay date.  <b>Step 2:</b> HR/Payroll > Reports > Payroll > Payroll Vendor Detail Report (Pay17): Search by Pay Date and Object 9200 to identify the employee(s). The comment will help describe the nature of the adjustment.
<b>9534</b> Health & Welfare (H&W) Liability	76- - - - -9534- - - -	01- - - - -9534- - - PAVX	<b>Step 1:</b> Finance > Fiscal > Account: Search by Fund 01/ Object 9534/ Unit PAVX and drill down on the account detail to identify the pay date.  <b>Step 2:</b> HR/Payroll > Reports > Payroll > Payroll Vendor Detail Report (Pay17): Search by Pay Date and Object 9534 to identify the employee(s) and vendor.  <i>TIP: Generate a Vendor Summary (Pay16) and scan for negative payment amounts.</i>
<b>9577</b> All Other Contributions & Deductions Liability	76- - - - -9577- - - -	01- - - - -9577- - - PAVX	Same as above
<b>9539</b> OPEN Liability	76- - - - -9539- - - -	01- - - - -9539- - - PAVX	Same as above

The remaining accounts in the District's Payroll Transfer Fund contain monies that affect SBCEO trust funds. Therefore, School Business Advisory Services staff will investigate and clear any remaining balances.