

Workday Labor Cost Code Current State Overview

August 2024

Workday Costing Overview Current State

DAS Workday Payroll

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Labor Cost Code Terminology

What is an Organizational Assignment?

- Organizational Assignment is assigned on every position in workday and is where costs associated with this position will be charged unless the employee enters a cost center, project or grant worktag to override the organizational assignment on their time sheet for specific time blocks, or the employee has cost allocation by earning codes setup on the worker position.
- There can only be one organizational assignment on a position.
- See Below what is a “Cost Allocation by Earning Code on a Worker?”
- See Below “What is a Worktag?”

Note: Retroactive changes to organizational assignments will not move previously allocated earnings. Please see below details on [Organizational Assignment changes](#)

Workday Knowledge Article: [Organizational Assignments, Change or Add](#)

What is a Cost Center, Project or Grant Worktag?

Worktags - Cost Center, Grant or Project:

- Cost Center Worktags are added to Workday through case management requests. Cost centers requested for setup must first be setup in SFMA. Workday does a nightly lookup with SFMS to validate cost centers requested are active before they are active in Workday. Projects and Grants are updated in Workday in a nightly interface with SFMA. Agencies indicate grants or projects added to Workday by selecting the PYRL field in the grant, project structure setup in SFMA.
- Labor Cost Code (Add, Modify, Inactivate) Template and Instructions are provided to Payroll Partners in Workday Drive: **Drive > Payroll Resources > Forms > Labor Cost Code (Add, Modify, Inactivate) Template**

- Workday Knowledge Article: [Cost Center for In and Out Times](#)
- Workday Knowledge Article: [Worktags](#)

What is a Cost Allocation by Earning Code on a Worker?

Costing Allocations by Earning Codes on a Worker

- This is when agencies setup Organizational Assignment cost centers to charge a percentage split to multiple cost centers, projects or grants by earning codes Earning code splits setup must total 100 percent for each earning code and will assign the specific percentage to the assigned cost centers according to the earning codes setup
 - Time Off (i.e: VA, PB & SL) can be setup on the earning splits and will cost to those time off codes setup

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- Take into consideration all earning codes including HEM, PEBB Opt Out, Overtime
 - If your agency does “Costing by Earning Codes on a Worker”, DAS recommends setup HEM as one of the earning codes to ensure costing allocation on all earnings.
- The setup of Cost Allocation by Earning Codes on a Worker is manual process. If your agency is looking at making changes for more than 30 employees, please create a case for assistance from the Workday Team to automate that action.
- Cost Allocation by Earning code splits are assigned to the worker and will stay with the worker for internal and external transfers
 - Very important to review these allocations as part of any transfer
 - They should be end dated as part of any external transfer
 - Workday Change Advisory Board approved Item #441 in the June CAB Release. This item created an integration that runs nightly to look for cost allocations by earning codes on terminated or transferred employees and will systematically end those cost allocations. Agencies are still recommended to follow the Workday Knowledge Article below to end Cost Allocation by Earning Codes for Workers as they are aware of those that need to be ended.

Knowledge Article: [Cost Allocation by Earning Code on a Worker](#)

What is a Monthly Allowance?

Monthly Allowances

- Employees with monthly allowances (i.e: Leadwork, WOC, Bilingual, etc.) have those costs allocated as part of the first payroll run based on the hours entered in time tracking and any cost overrides used. If no cost overrides are used it will go to the organizational assignment (default cost center) setup on the employee.
- Allowances are allocated only as part of the first of the month payroll run. That means costing changes done for the mid-month would need to be adjusted through adjustments in SFMA.

How Costing Works in Workday

How Organizational Assignments Cost Time in a Current Pay Period

Current Pay Period Costing to Organizational Assignment:

- Work with agency Human Resources and Budget offices to ensure that the position is setup with the correct Organizational Assignment at the time the employee starts in the position
- This action will mean that all payroll costs are accurately charged to the organizational assignment on the position as expected.
- If there is a change to an organizational assignment and it is done in the current pay period, the payroll costs for the new organizational assignment will be charged as of

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the first day of the current pay period. (e.g. if a change is made in July to an organizational assignment and the effective date of that change is entered as 7/1/2024, the costs for the payroll processed on July Run 1 and forward will get costed to the new cost center.

How Organizational Assignments Cost Time in a Prior Pay Period

Prior Pay Period Costing to Organizational Assignment:

- Workday currently will not move costs on an Organizational Assignment that were previously costed in a prior period.
- For Organizational Assignments that need to move costs that were charged to an incorrect Organizational Assignment in a prior pay period, this action will require manual adjustments in SFMA.
- If an agency enters a prior period effective date on when changing or adding an Organizational Assignment on a position, only the new wages reported in the current pay period will be charged for the prior periods for that new Organizational Assignment. All costs will get charged to the new Organizational Assignment on a go forward basis and the costs that were costed to the prior Organizational Assignment if those are in error, that will require a manual adjustment in SFMA.

Please Note: Workday Team is looking at a possible configuration change that would limit Effective Date Changes on Organizational Assignments to current pay periods. This is under analysis as part of the Change Advisory Board activity.

Cost Center, Grant or Project Worktags and Run 2 Payroll Processing

Cost Center Worktags and Run 2 Payroll:

- As part of the mid-month payroll run DAS will complete payroll for employees who have \$10 of pay or higher.
- If an employee makes changes to cost center worktags on their time sheet for processing on Run 2 and has less than \$10 of pay those changes will not be completed until the following Run 1 payroll is processed. As a result, agencies may see some retro cost center changes processed and posted to SFMA and Datamart on the Run 1 payroll.
 - OPE Reallocation integration will **not** pick up transactions for Run 2 employees that have under \$10.00 in pay, this will get processed on the following Run 1 payroll and will be included in the OPE Reallocation for that Run 1 payroll

Change Advisory Board (CAB) Labor Cost Release Items

Cost Center Worktags and Overtime	Item #: 237 Reorder Time Calculations related to OT Completed Testing: April 2024 Implemented: April 2024
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Overview of Cost Center Worktags and Overtime

- When employees entered overtime hours on timesheets and those overtime hours were charged to a cost center worktag, DAS was seeing duplicate regular hours costed to the same cost center worktag.
- The employee was not overpaid, however this resulted in cost centers being over charged for the regular hours.
- This issue was resolved with a Workday Change Advisory Board (CAB) update April 20, 2024. This CAB update resolved how overtime calculates, and we are not seeing the duplication of regular hours charged to Cost Center Worktags on a go forward basis.
- This CAB release item did not correct any pay periods prior to April 2024 where overtime was costed to cost center worktags. Manual adjustments in SFMA are required to correct prior pay periods where this issue occurred

Note: The following report can be run to identify potential entries that may need to be adjusted: **TT | Calculated Hours**

Other Payroll Expense – Prior Period Cost Allocation not moving costs to appropriate Cost Center	Item #214 Completed Testing: June 2024 Implemented: August 22, 2024 The OPE process will only look back to July 1, 2024
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Overview of Other Payroll Expense (OPE) Reallocation Resolution

Currently Workday does not re-allocate other payroll expenses (OPE) already expensed from prior runs and prior pay periods. The costing data in SFMA and the Datamart needs to be updated after each payroll run to accurately allocate previously expensed OPE. Typical reasons for this reallocation include retroactive changes to earnings, cost center overrides (PCA/Index), project or grant overrides, or default cost center changes.

The scope of the OPE Reallocation Resolution project does not include re-costing previously expensed earnings from a prior period due to a retroactive organizational assignment change. For any retro-active organizational assignment changes only new earnings will be costed to that new organizational assignment and any change to OPE will only be based on those new earnings. Only new wages for that prior period will post to the new default organizational assignment and the OPE Reallocation process will move any OPE associated with that pay

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period accordingly. All earnings costed in a prior period to incorrect organizational assignment will require a manual accounting adjustment in SFMA.

DAS recommends not using prior period effective dates on Organizational Assignment changes. Organizational Assignment changes will only move earnings on a go forward basis.

The following reports will be made available to agencies via Workday Drive after each payroll run:

WDOPERPT 01 - WORKDAY OPE REALLOCATION – This Report contains all of the records that were reallocated for the specified pay period and posted to SFMA and Datamart.

Report Definitions:

- Acct – Agency Object
- CC – Cost Center
- Grant – Agency Grant and phase
- Project – Agency Project and phase
- CE DTL AMT – Earnings by split for pay period – will look for retro earnings and reallocate
- CE SUM AMT – Total earnings for the period across all cost centers
- CE Percent – New OPE Allocation based on combined wages for the period
- Total OPE Amount – Total costs per object code across all cost centers
- REALLOC OPE Amount – CE % times the Total OPE Amount
- ORIG OPE Amount – Actual allocated costs by grant and cost center plus any reallocation this job has done.
- DELTA OPE Amount – REALLOC OPE Amt minus the ORIG OPE Amt

WDOPERPT02- OPE NOT ZERO BALANCE – This Report contains transactions that did not net to zero in the reallocation process

WDOPERPT003- OPE EXCEPTIONS – This report contains transactions that were attempting to be reallocated however the Cost Earnings Percent was above 200% and this is in excess of what was determined to be an acceptable reallocation percentage. These transactions will need to be reviewed by Agency Finance/Payroll to determine what caused the transaction to be included on the OPE EXCEPTION Report.

The initial OPE Reallocation process will be implemented with the 2024 July Run 2 data and will look at retro results for pay period July 1, 2024, and forward for any timesheet entries costed in a prior period. Any retro entries prior to July 1, 2024, will need to be made manually in SFMA.

Below is the timing of OPE Reallocation process that will run once Workday payroll is completed for both Run 1 and Run 2:

Day 1: Payroll Processing

Day 2: Payroll is Settled

- T850/T851 file created
- ODOT/Aviation and DOC cost files created
- CECD Datamart files are created immediately following settlement

Day 2: OPE Reallocation job runs and OPE Files below are created

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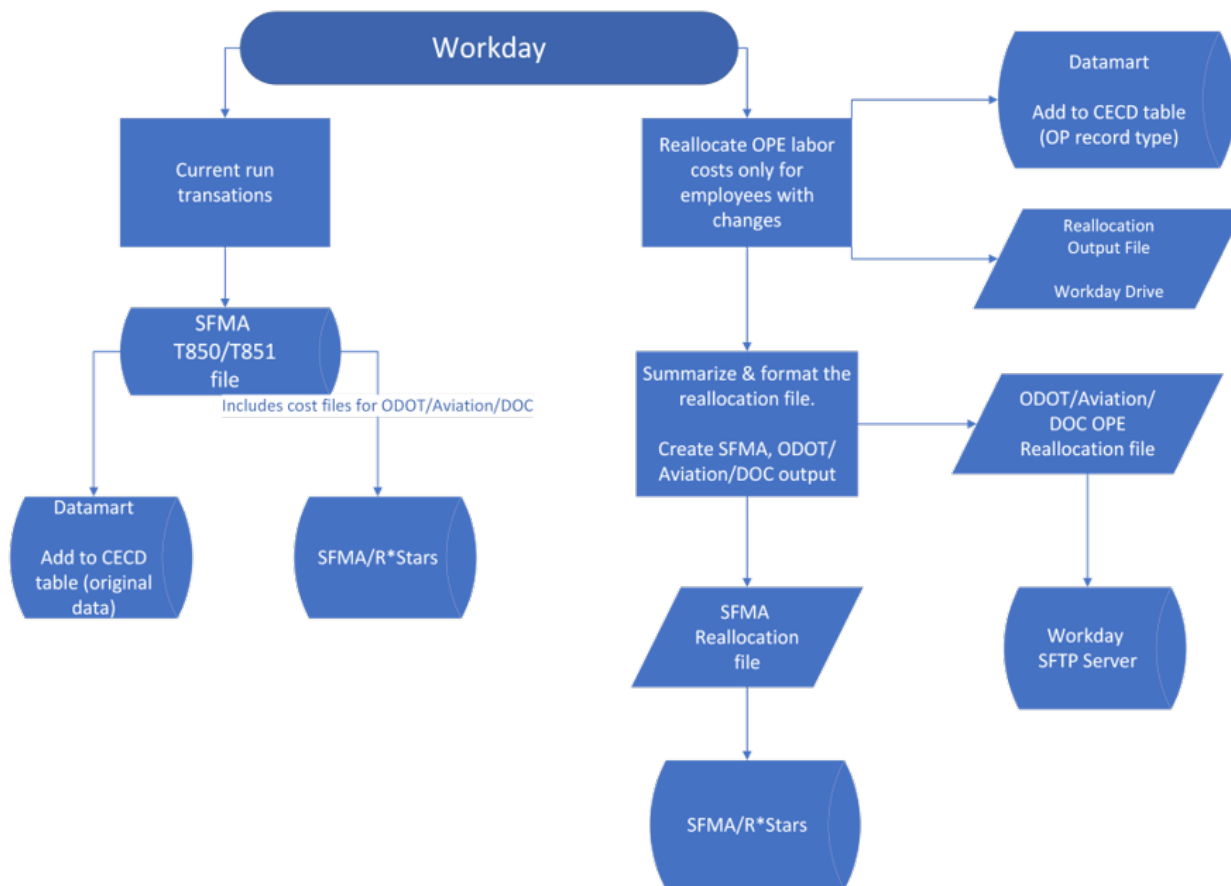
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- T850 – SFMA OPE Data files
- Datamart CECD OPE files created with record type "OP"
- ODOT/Aviation - OPE files created and pushed to SFTP folder same day
- DOC – OPE data files created and pushed to SFTP folder same day are picked up by Workday Payroll Admin and shared on Workday Drive:
 - WDOPERPT01 WORKDAY OPE REALLOCATION
 - WDOPERPT02 NONZERO
 - WDOPERPT03 OPE EXCEPTIONS

Day 3: OPE Reallocation data available in Datamart and SFMA (530 screen)

Day 4: OPE Reallocation data posted in SFMA

- At this point, all current run costing data and OPE reallocation data is posted
- OPE Reallocation data reports are in Workday Drive: Labor Cost Code Reallocations > OPE Reallocation Production Files



Note: Run 2 OPE that results in under \$10.00 in pay will not get completed in Run 2 and will get completed in the following Run 1 payroll processing.

Note: Run 1 processing will only include OPE Reallocation for prior pay periods.

How to Report OPE Reallocation Data File Questions

Create a Workday Help Case: [Workday | Central Payroll Support](#)

Please submit a case in Workday for production costing questions and issues

- Knowledge Article - [Creating a Help Case – Employee Instructions](#)

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To run Finance related reports in Workday you will need to be setup with the Workday Security role of "Agency Finance Partner"

- For instructions on how to request the Agency Finance Partner use the [Request Security Roles knowledge article](#)

To review security roles in Workday there is an audit report that your agency security partner can run:

- "AUD | Workers by Assigned Organization Roles [Prompts]"

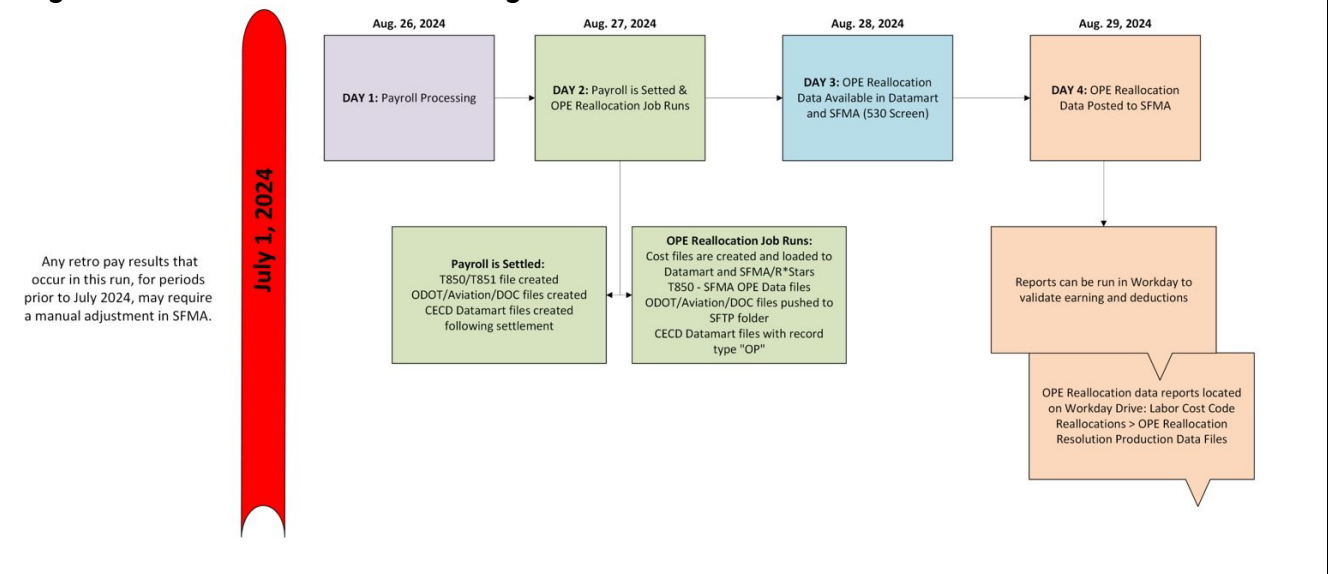
Reports and Resources

[Workday Oregon Webpage with Payroll Processing Calendar](#)

July Run 2 OPE Reallocation Timing:

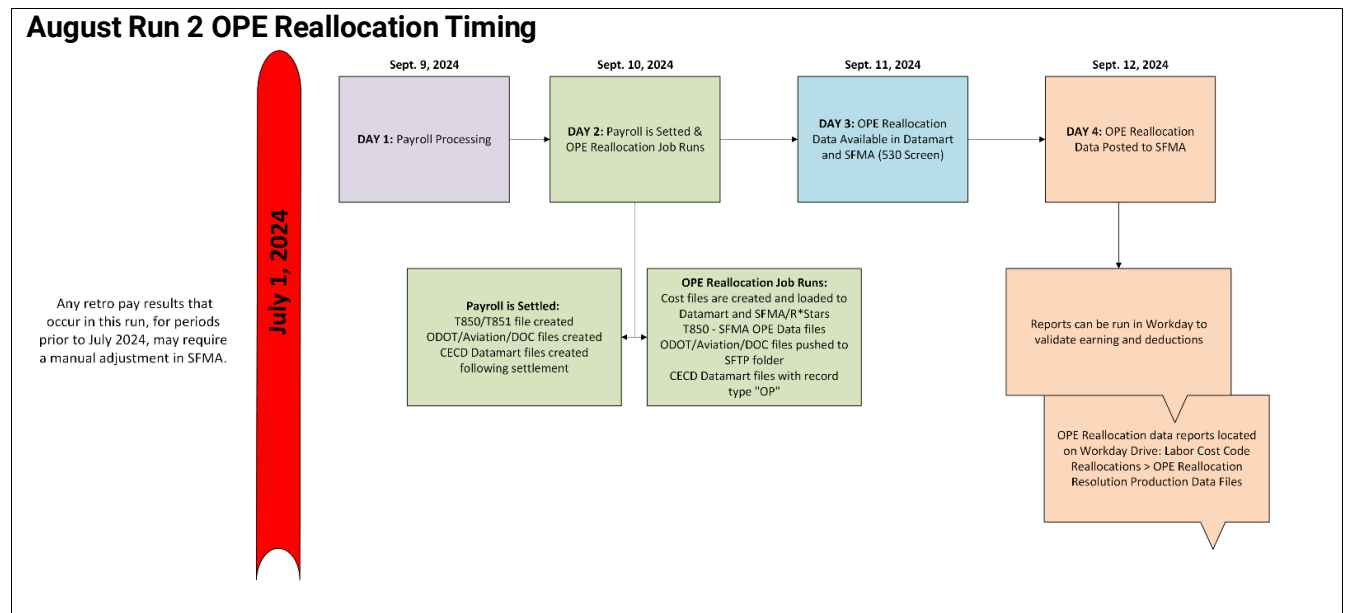
- August 22, 2024: OPE Reallocation will process for the first time in SFMA
- August 22, 2024: OPE Reallocation Reports/Excel files will be on Workday Drive for Agencies to download
- August 23, 2024: OPE Reallocation files uploaded to SFMA and will post in SFMA and Datamart

August Run 1 OPE Reallocation Timing



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To request Finance Partner security role work with your agency security officer to get setup. The link below can be used to request Agency Finance Partner.

- Request Agency Finance Partner in production using this link:
[https://wd5.myworkday.com/oregon/email-universal/inst/25755\\$1353/rel-task/2998\\$40834.html](https://wd5.myworkday.com/oregon/email-universal/inst/25755$1353/rel-task/2998$40834.html)
- Agency Security Officers can review security roles in Workday by running the following audit report:

"AUD | Workers by Assigned Organization Roles [Prompts]"

Reports to Run for Cost Center Information

- Pay_RPT_Detailed Cost Allocation by Worker Earnings
- Pay_RPT_Detailed Cost Allocation by Worker Deductions
- ABS_RPT_Calculated Time Tracking Hours and Allocation
- ABS_RPT_Reported Time Tracking Hours and Allocation
- PAY | Summarized Cost Allocation by Agency, Cost Center, Grant, Project - Matrix

Cost Center Knowledge Articles

- [Cost Allocation by Earning Codes on a Worker](#) - HR Role
- [Organizational Assignment Change](#) - HR Role
- [Organizational Assignments, Change or Add](#) - HR Role
- [Cost Centers for In and Out Times](#) - Employees

Cost Center Tips

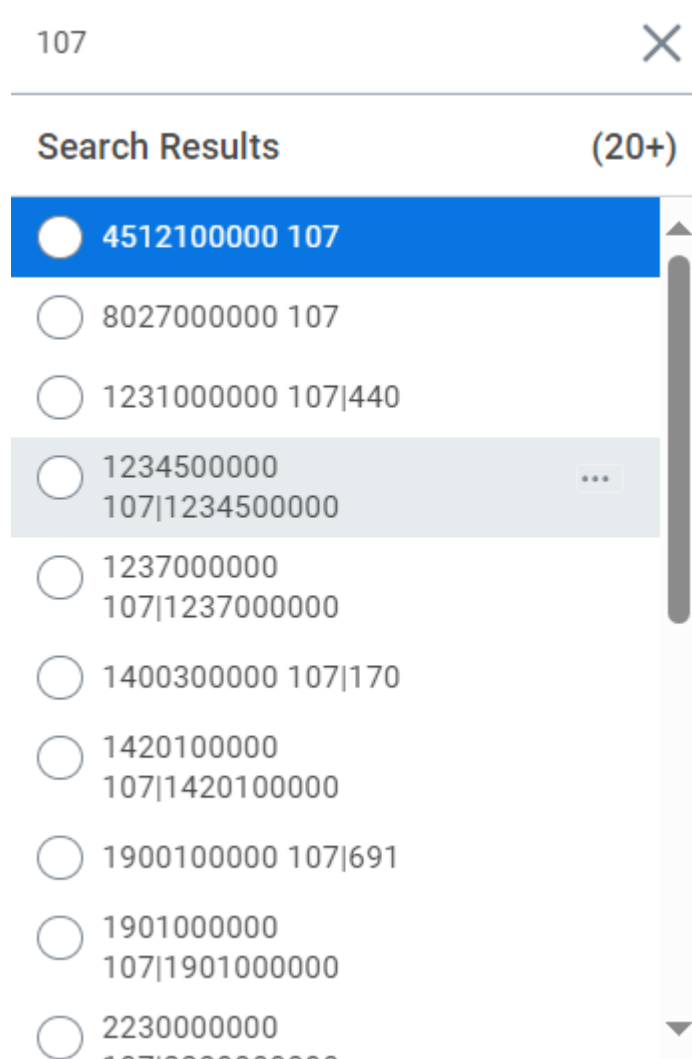
Labor Cost Code Descriptions in Workday:

- For all new or changes to Labor Cost Codes including changes to descriptions please submit them to Workday Help Desk by searching "creating a case" in Workday
- Use the Cost Center Add/Modify/Inactivate Template and include the following:
 - Agency name
 - Labor Cost Code with appropriation year (ie: 231234512345)

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- 40-character description that begins with 3-digit agency number (ie: 107 | payroll project)
- Employees will use their Agency Number to access their agency list of Cost Centers and select from the list that displays. If hand keying without accessing the list, please ensure the correct number is keyed.
e.g. Below is a screen shot of the display that comes up when entering DAS – Agency number 107.



Note: LCC's requested to be inactivated will be unassigned to the agency however they could still be keyed in and if they are shared, they cannot be deleted.

Projects and Grants: Search Alpha or Numeric

- Projects & Grants - Numeric search by Agency Number followed by (-) dash and then Project/Grant number
- Projects & Grants - Alpha search
 - Name comes from Project & Grant profile screens in SFMA

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Note: If you are not familiar with what you are seeing in Workday for your Grants and Projects work with accounting and finance to understand how Grants and Projects are setup in SFMS

Overtime and standard shift differential are system generated

- To charge overtime hours to specific cost centers, employees must have unique time entry block of time charged to that cost center by selecting appropriate cost center in the worktags.

In	Out	Out Reason	Quantity	Unit	Worktags
06:30:00 AM	10:00:00 AM	Meal	3.5	Hours	
11:00:00 AM	05:30:00 PM	Out	6.5	Hours	
05:30:00 PM	07:30:00 PM	Out	2	Hours	× SoO_Projects: 629-471150-22 DONOMORE OR-RSF-000247 EK2J

Agency	Is Retro	Retro Period	Primary Cost Center	Cost Center	Grant	Project	Earning	Statistical Code	Ledger Account	Account	Hours	Cost
Forestry Department				5160098100			Regular - Salary	9150	3111 REGULAR EMPLOYEES	3111	114.78	3,643.64
Forestry Department				8163698100			Regular - Salary	9150	3111 REGULAR EMPLOYEES	3111	56.54	1,794.61
Forestry Department			Yes	8153698100			Shift Differential - Evening	9181	3181 SHIFT DIFFERENTIAL	3181	0.50	0.50
Forestry Department			Yes	8153698100		629-471150-22 DONOMORE OR-RSF-000247 EK2J	Overtime - 1.5 FLSA	9171	3171 OVERTIME PAYMENTS	3171	2.00	95.30
Forestry Department			Yes	8153698100		629-471150-22 DONOMORE OR-RSF-000247 EK2J	Salary Override 1	9150	3111 REGULAR EMPLOYEES	3111	2.00	64.74