



Moving the back office up front

Oracle HCM World – March 20-22, 2018

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Grant Thornton

March 20, 2018 3:35pm

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About the presenter



- Implementing Oracle Payroll for over 20 years
- Implemented the 3rd US Payroll site to go live in 1997
- Currently on my 4th Oracle Cloud Payroll implementation
- Frequent OHUG, OAUG and OpenWorld presenter, mostly on fast formula solutions

About Grant Thornton



Office locations

59 offices spread across 30 states and Washington D.C.



People

More than **8,500** professionals in the U.S.



Reach

Serve 36% of companies on the 2017 Fortune 500 list and 25% of companies on the Russell 2000 list



Partners

615 partners serving more than 8,000 clients in the nation



Our services

• Assurance • Tax • Advisory



Revenue

GT U.S. net revenue equals **\$1.75 billion**

stats are as of 07/31/2017

Our Oracle Practice

Creating business harmony in the Cloud



ERP and SCM

Financials | Revenue management | Accounting hub | Project account | Project execution | Procurement | Inventory management | Cost management | Maintenance | Manufacturing | Order management | Product lifecycle and data management | Supply chain collaboration and planning



EPM Analytics

Planning and budgeting | Profitability and cost management | Financial close and consolidation | Tax reporting and provisioning | Management and operational analytics | Narrative reporting | Account reconciliation | Enterprise data management



HCM

Culture journey | Talent acquisition | Workforce administration | Talent management | Workforce development | Alumni network

Data governance & cloud integration

PaaS

Solution delivery center (off-shore and on-shore)

Industries

Construction, Real Estate & Hospitality | Consumer And Industrial Products | Energy | Financial Services | Health Care And Life Sciences | Not-For-Profit Organizations | Private Equity | Public Sector | Technology



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YRC Worldwide®





YRCW provides services under a portfolio of four operating companies

Collectively, we have approximately 20 - 25% of the public carrier market by tonnage. We provide the broadest coverage and more service capability throughout North America than any competitor. To put it simply, customers tell us where they want their freight to go and when it needs to be there, and we take it there; we carry the economy

Agenda

- YRC project overview
- YRC costing overview
- Challenges and solutions
- Q&A

YRC project overview

- Peoplesoft on premise to Oracle Cloud
 - 22 months
 - Core HR, Taleo, Compensation – June 2017
 - Cloud Finance – October 2016
 - Payroll – January 2017
 - Headcount 20,000 employees –salaried, hourly and union

YRC costing overview

- Chart of accounts
 - Company
 - Account
 - GL function
 - Cost center
- Labor allocated based on job performed
 - Job code – Assignment job
 - Job type – People group

YRC costing overview

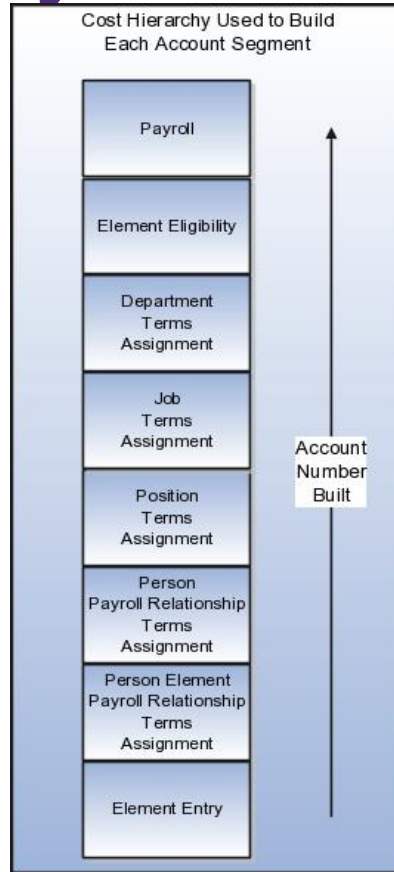
- GL function
 - CS – customer service
 - GA – general and administration
 - IT – information technology
 - LH – line haul
 - MC – maintenance city
 - ML – maintenance
 - SF - safety

YRC costing overview

- People group

Union Cas Dock
Union Cas Garage
Union Cas LH Shuttle
Union Cas Maintenance
Union Cas Office
Union Cas P&D
Union Cas Switcher
Union Reg & Cas LH Driver
Union Reg Customer Care
Union Reg Dock
Union Reg Garage
Union Reg LH Shuttle
Union Reg Maintenance
Union Reg Office
Union Reg Office GA
Union Reg P&D
Union Reg Switcher
Union Reg Utility
YRC Default Not Costed
YRC Non Union Hourly FT
YRC Non Union Hourly PT
YRC Non Union Hourly Trainee
YRC Non Union Hourly TraineePT
YRC Salaried
YRC Salaried Exec

Costing hierarchy



YRC costing overview

- GL function, account and cost center overrides entered on element entries via Kronos or TEC
- GL function entered on the job record
- Cost center entered on the department record
- Account entered on the element eligibility record (people group)
- Company entered on the payroll definition

YRC costing overview

- Finance and HCM are now on the same platform
 - Legacy system had a middle translation layer that complicated understanding the validity of the data
- Timely weekly analysis now performed shortly after payroll is complete
 - Finance and payroll share the same value sets and accounting rules
 - Errors are caught early in the process and corrected before journals are created
- Better procedures in place to control overrides in the time entry systems
- Labor can now be analyzed in different lines of non union and union work and compared to other variables

Challenges – Employer taxes and benefits

- Costing of employer level taxes and benefits at the cost center level
 - Employer taxes and employer benefits are processed at the payroll level
 - Department costing is determined at the assignment level
 - Needed to copy these attributes to an assignment level element

Challenges – Employer taxes and benefits

- Create an assignment level non recurring element for each costing type
 - FUTA – YRC Cost FUTA
 - SUI, SS_ER, Medicare_ER – YRC cost employer tax
 - Dental ER, Medical ER – YRC cost benefits ER
 - Company match 401k – YRC cost 401K ER
- Create an assignment level recurring element
 - YRC employer tax – standard link
 - Assign fast formula to copy payroll level to assignment level

Employer_Tax = Medicare_ER +

SS_ER +

SDI_ER +

SUI_ER +

NY_Transit_ER +

OR_TriMet_ER +

OR_WBF_ER +

OR_Lane_Transit_ER +

Aurora_City_ER +

Denver_City_ER +

New_Mexico_Work_Comp_ER

Benefits_ER = DENTAL_EMPLOYER_REL_RUN +

MEDICAL_EMPLOYER_REL_RUN +

VISION_EMPLOYER_REL_RUN +

BASIC_LIFE_EMPLOYER_REL_RUN +

LTD_EMPLOYER_REL_RUN

HSA_ER = HSA_EMPLOYER_REL_RUN

FUTA = FUTA_ER

Savings_401K_ER = Savings_ER

▲ Edit Processing Rule: YRC Employer Cost

Actions ▼

Balance Adjustment No

Effective Start Date 1/1/51

Assignment Status All

Effective End Date

Formula Name YRC Employer Cost

▲ Formula Result Rules

Actions ▼ View ▼ + × ✎ ▼  Detach

* Result Returned	* Result Rule	Target Element Name	Target Input Value	Unit of Measure	Se Employment Le Level	Effective Start Date	Effective End Date
BENEFITS_ER	Indirect Result	YRC Cost Benefits ER	Pay Value	Money		1/1/51	
EMPLOYER_TAX	Indirect Result	YRC Cost Employer Tax	Pay Value	Money		1/1/51	
FUTA	Indirect Result	YRC Cost FUTA	Pay Value	Money		1/1/51	
HSA_ER	Indirect Result	YRC Cost HSA ER	Pay Value	Money		1/1/51	
HWP_AMOUNT	Indirect Result	Health and Welfare Fund Employer	Amount	Money		1/1/51	
HWP_PERIODI...	Indirect Result	Health and Welfare Fund Employer	Period Type	Character		1/1/51	
PEN_AMOUNT	Indirect Result	Pension Fund Employer	Amount	Money		1/1/51	
PEN_PERIODI...	Indirect Result	Pension Fund Employer	Period Type	Character		1/1/51	
SAVINGS_401...	Indirect Result	YRC Cost 401K ER	Pay Value	Money		1/1/51	
SUP_AMOUNT	Indirect Result	Supplemental Fund Employer	Amount	Money		1/1/51	

Challenges – Employer taxes and benefits

- Add the costing on the information elements
- Balance adjustments must be made to both the base element and costing elements

Challenges – Subledger errors

- YRC uses extensive accounting rules to validate code combinations
- Rules are not applied until after payroll is complete and transfer to subledger has been processed
- Both retro costing and person costing adjustment procedures do not correct original costing entry
- Solution was to turn on suspense processing in subledger accounting
- Invalid records now report as warnings and entries go into suspense
- Accounting can then correct entries before creating final journals

Challenges – Subledger errors

ORACLE

Manage Suspense Accounts

Chart of Accounts YRCW

View + X [Grid Icon] [Share Icon] Detach

* Ledger	* Source	* Category	* Account
YRCW US	Payroll	Payroll	YRCF-151630-99-9999-999999-999

My Oracle Support reference guides

- How to enter a payroll costing adjustment (Doc ID 1945116.1)
- Loading payroll costing setup using HCM Data Loader (Doc ID 2223242.1)
- Global human resources implementing payroll costing (Doc ID 1918574.1)

Questions

