Helpful Resources and Documents:
> HRIS Training - Retroactive Pay Change

Forms:
> GAO-73A Request for a One-Time Deduction

Agency Payroll functions:
1. Process prior pay period adjusting time records including retroactive pay changes
2. Manually calculate and add any stipends or bonus for the retro pay period
3. Submit GAO-73A for retirement rate differences if crossing fiscal years

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Deadlines:
Pay history correction must be entered BEFORE any adjusting time records are entered or the ZR131 job is submitted.
GAO-73A due by 12 pm (noon) on Day 2 (compute Tuesday).

Employee pay rate change in current pay period (XR32 or XR35.2)
Enter time records after Agency Human Resources has entered the pay rate change. If time records were already entered prior to the rate change, update the time records.

Retroactive ("retro") pay rate change
Use screen ZR131 to calculate a retroactive pay increase or decrease based on a percent of earnings or an amount per hour and create time records (pay code 144) for the amount. Detailed instructions are in the Retroactive Pay Changes training.

Items to note when processing a retro:
1. Pay change correction must be entered in the HRIS before ZR131 is processed
   a. If the pay change covers more than one position, the HRIS Help Desk must be contacted to perform a personnel action pay history correction
2. The employees current pay plan (HR11) is used to generate the retro time records
3. Fields on the ZR131 screen:
   a. Selection Tab:
      i. Date Range: Retro Time Period Begin and End dates
      ii. **Should not** include the current pay period
   b. Time Record Tab:
      i. Retroactive Percent: Do not use this field
      ii. Amount Per Hour (only allows 2 decimals): Difference of the increase or decrease
         1. Pay decrease for a prior calendar year must be completed using the GAO-70A Overpayment Worksheet; employee will receive a W-2c
      iii. Retroactive Pay Code: 144 (always!)
      iv. Time Record Date:
         1. Excluded (EXC) employee (aka "Salaried" or "FLSA-Exempt, 40 hours only")
            a. The last day of the pay period being adjusted
            b. An EXC employee will have one retro time record for the lump sum.
         2. Non-Exempt (NEXP) and Exempt (EXP) Employee (aka "Hourly"):
            a. Time Record date field to be left blank
            b. NEXP and EXP employees will have one retro time record for each week the retro period covers. This is used to calculate overtime for a NEXP employee.
      v. Update Option:
         1. Run ZR131 with an Update Option of "R – Report." Review the report in print manager

      a. Review the ZR131.error report for any position errors. Contact the HRIS Helpdesk to resolve "Position not active" or "Position doesn't exist" errors.

    2. Change the ZR131 to Update Option of "A – Update; Add Time Records." Time records will be added to the employee's record.

4. If you process a retroactive pay increase for a non-exempt employee, overtime calculations will automatically be updated during the regular payroll compute. The GAO Handwrite policy does not allow retro pay on a handwrite because the HRIS does not automatically calculate overtime impacts to the retro.

5. Manually calculate and add stipend time records, such as 790F time records, for each pay period an employee would have received a stipend, Critical Retention Bonus (9/29/12 - 6/21/13) or Performance Pay (2.5%: 3/11/06 - 06/29/07 & 2.75%: 06/30/07 - 06/25/10).

To Delete a Retro entered in error
On the ZR131 screen, use an Update Option of "U." This will delete all pending retro time records and add the revised retro time records based on your ZR131 job card. If the employee should not receive any retro payment this pay period, contact GAO Central Payroll to delete the retro time records.

Retro Pay for time in a prior fiscal year
The retirement systems require contributions be withheld based on the rates that were applicable at the time. Submit a GAO-73A for retirement for the difference between current Fiscal Year (FY) rates and the applicable prior FY rates if the retro pay includes prior fiscal year pay periods.