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Accounts Payable Payroll Policy

Effective: July 1, 2004
Last Updated: November 1, 2006

Executive Summary

There are instances where Departments need to process prior fiscal year payroll in the current fiscal year accounts payable period. To accommodate that need, Accounts Payable payroll is available after the close of a fiscal year.

Considerations

This policy applies to all Commonwealth Branches and Departments on HR/CMS.

Policy

This is payroll charged against a department's account in the previous fiscal year for services rendered prior to the end of that fiscal year (June 30) for both State and Contracted employees. The Accounts Payable payroll occurs in the current fiscal year during the accounts payable period. A Payroll Hold (PH) encumbrance transaction must be entered in the statewide enterprise accounting and financial reporting system ("the system"; "Mosaic") prior to June 30 of each fiscal year to encumber funds for Accounts Payable payroll. Departments are responsible to insure that the money encumbered in their Payroll Holds will cover the amount they have posted for Accounts Payable payrolls. Accounts Payable payroll is posted during the current pay period using specific earnings codes configured specifically for Account Payable posting. The Accounts Payable period runs through August 31 unless extended by the Fiscal Affairs Division or by statute.

Information Sources

Legal Authority

- M.G.L. c. 7A §§ 3, 7, 8
- M.G.L. c. 29 § 13

Contacts

- CTR Solution Desk