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Payroll Expenditure Adjustment Transactions Policy

Effective: July 1, 2004
Last Updated: February 23, 2026

Executive Summary

The Labor Cost Distribution (LCD) system automates payroll adjustment transactions and reconciles LCD and the statewide enterprise accounting and financial accounting system ("the system"; "Mosaic"). payroll expenditure balances. Departments are responsible for processing all payroll adjustments through LCD in order to assure that LCD and Mosaic are in sync. LCD transactions do not update any data in HR/CMS, but in some cases are required to keep LCD and Mosaic in sync with HR/CMS adjustments.

Considerations

This policy applies to all Commonwealth Branches and Departments.

Policy

Expenditure Correction (LCRR-- PREXC) Transaction

The Expenditure Correction (LCRR-- PREXC) transaction is a user-entered document that modifies expenditure accounting information recorded on a payroll charge that has been processed through the payroll system. It does not change the dollar amount of the original expenditure. An expenditure correction corrects accounting data by decreasing expenditures in the incorrect Account/Unit/Object code, etc., and increasing expenditures in the correct Account/Unit/Object Code, etc.

Rules Edit

LCD edits will determine whether a Department can process an LCRR-- PREXC. The important edit will be the LCD rules edit. The rules edit verifies that there is an approved rule in place in the LCD Rules Subsystem to allow an Account change on the LCRR-- PREXC. If the document fails the rules edit, the transaction will not process. If the LARQ-- PRADJ crosses fiscal years, it will automatically be work-flowed to be reviewed by the Comptroller's office.

Payroll Reject (PRLDE) Transaction

PREXPs will reject for invalid data conditions. Upfront validation at time of transaction entry will prevent many of these conditions, however the scenario can occur when a previously valid COA combination is no longer valid, such as a Program expiring.

Budget Overrides

MOSAIC will leverage baseline connectivity with the Financial side of the application for required budget elements and automatically allow budget overrides for any payroll specific costs.

Payroll Expenditure Refund (PREXP) Transactions

The payroll expenditure refund (PREXP) transaction is an LCD system-generated document that allows a Department to put money back into the accounting system that was paid in error. The PREXP is used for refunds processed in the current fiscal year and for refunds to continuing accounts received after July 1st , the start of a new fiscal year.

When payroll is concerned, the PREXP operates in tandem with a Payroll Refund Receipt Voucher Form and the Payroll Receipt Voucher Mosaic Transaction. This PRRV Form is the document that records the employee specific HR/CMS and Retirement System adjustments to be made; the PRRV MMARS transaction is for Departments to use to reconcile the cash transaction Accounting information into Mosaic. After the departments enter PRRV Mosaic transaction detailing the cash deposits and CTR payroll and State Employees Retirement System staff enter the PRRV employee corrections in HR/CMS and the RET system, CTR accounting reconciles the PREXP and the PRRV Mosaic transactions. The transaction in HR/CMS creates the PREXP corrections to labor history in LCD and accounting information in Mosaic.

For refunds received in the current fiscal year for prior year expenditures in a non-continuing or budgetary account, a PREXP transaction is also used to process the refund. Departments will use the Payroll Refund Receipt Voucher Form for the prior fiscal year PREXP in the same way they do a current fiscal year PREXP. A prior year PREXP (Cash Transfer) functions in the same way as a current fiscal year PREXP within LCD, however, the prior fiscal year PREXP records a cash deposit (not an expenditure reduction).

Note: More details on the LCD “adjustment” transactions can be found at https://www.macomptroller.org/payroll-information/.

Information Sources

Legal Authority

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

Links

- https://www.macomptroller.org/payroll-information/

Contacts

- CTR Solution Desk