

CGI Advantage® ERP

Labor Distribution

State and local governments of all sizes are expected to manage labor data by adhering to accounting principles published by the Governmental Accounting Standards Board (GASB) to ensure adequate controls are in place. Governments require that their enterprise resource planning (ERP) solutions be able to accurately track labor costs.

THE COMPLEXITY OF LABOR DISTRIBUTION

Labor tracking has numerous complexities that need to be managed, including: project cost accounting, certified timesheets, grant management, variations based on type of expense, special assignment funding, temporary assignment, longevity bonuses, lump sum payouts, leave accruals, leave payouts, ineligible costs and unique appropriations.

When the information is reliable and accurate, historical labor data is a powerful management resource for recognizing trends and patterns when predicting labor needs for future budget planning and decision-making purposes. Labor distribution is a critical component in this process as it is required for the provision of accurate accounting information — for example, when evaluating annual spend by department on grant-related expenditures.

HOW CGI ADVANTAGE ERP CAN HELP

CGI Advantage is a built-for-government web-based ERP solution that supports configuration of core accounting rules — such as the defaulting of specific salary object codes — and accommodates more sophisticated management accounting needs of state and local governments.

Accounting standards and business rules determine how labor costs are distributed. New initiatives will often require changes to the ERP setup. Those changes can be in the form of simple configuration updates or custom enhancements. CGI Advantage allows governments to meet the demands of a constantly changing environment by providing sufficient online configuration options that help reduce the need for expensive customizations and therefore reduces the total cost of ownership. Various components work in harmony to ensure that labor data is captured and distributed correctly and is also supported by reporting tools.

CGI Advantage also includes built-for-government best practices, such as effective dating of business rules, sophisticated labor distribution that accommodates the complexities of governmental accounting, and the ability to perform retroactive mass change processing for payroll related expenses.



GENERATING EFFECTIVE AND ACCURATE RESULTS

Labor distribution features:

- Mass change support
- Each payroll run is referenced
- Labor expense reconciliation process for human resources and financial management
- Dollar or percent redistribution
- Smooth fiscal year transition
- Fringe expense allocation
- Summarized labor records
- Audit trail

Labor distribution processes:

- Setup and maintenance
- Payroll batch processing
- Monitoring
- Exception processing
- Reporting and analysis
- Year-end processing
- Adjustments/mass change

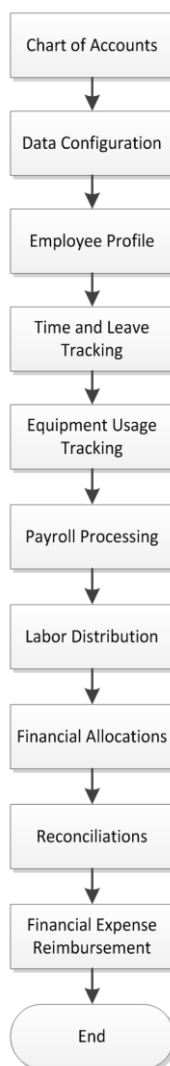
The CGI Advantage labor distribution process allows for fringe-related labor expenses to retain many of the detailed chart of account values from the base salary expenditure, including those for project and grant accounting elements. This is critical to downstream processes such as grant billing, where fringe expenses are often eligible for inclusion in reimbursement requests.

This labor distribution functionality can also eliminate the need to perform additional “labor additive” processing prior to reimbursement.

Benefits

- **Easy reconciliation** – Reports can be done at the summary level from the General Ledger and can drill down into labor distribution details at the employee and organizational levels when needed.
- **Flexible configuration** – Labor allocation rules are often unique across governments. CGI Advantage provides multiple levels of configuration: from the employee record, to payroll events, to work assignments/schedule, to certified timesheet and override options.
- **Traceability** – CGI Advantage easily meets end-to-end reporting requirements that are mandated for grant reimbursement and special funding. It allows for traceability of costs from the summary level to the detail level.
- **Easy updates** – Simple tools are provided out-of-the-box to update specific employee records or easily perform mass changes to system data, which eliminates redundant data entry and improves productivity.
- **Flexible reporting** – Users can obtain labor reports in various formats with sorting options and also can download data for additional analysis. They can inquire at the employee level for labor distribution details.
- **Fringe distribution** – Employer benefit expenses can be distributed to accounts other than the payroll labor expense accounts for hours and wages to meet accounting grant reporting rules.
- **Retroactive adjustments** – Adjustments to prior periods can be made to modify fringe and salary expense, contract pay and leave accrual expense for an employee or group of employees.

Labor Distribution Life Cycle



ABOUT CGI

We deliver built-for-government IT solutions that maximize revenue while minimizing costs. As a full-service systems integrator and managed services provider, CGI has the industry know-how, tools and technologies to address business challenges across the public sector spectrum.

CGI's leading ERP solution, CGI Advantage, helps state and local governments improve their back-office operations and better serve their citizens with a full suite of built-for-government tools, including financial management, payroll, budgeting, human resources management, procurement and grants management.

Whether your goals are to increase efficiency, transparency and accountability or to improve usability and citizen service, CGI has the solution to deliver results.

CONTACT US

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