

# Reversing a Manual Cheque/Direct Deposit Manually to Update Year-to-Date Totals in PCPW

Updating a previous payment reversal refers to reversing values from a cancelled or corrected payment that was either not given to or cashed by an employee. This ensures that the year-to-date totals are accurate.

## Reasons

Cancelled payments need to be reversed for tax form reporting purposes.

A previous payment reversal may need to be updated for the following reasons:

- Incorrect payments issued
- Corrections to year to date figures overstated
- Over payment and/or over deduction amounts need to be corrected

## Process

To reverse a manual cheque, follow the process.

When entering a reversal all tab amounts (explained below) are to be entered with negatives, this includes taxes, deductions and Net Pay. Except in situations where **negatives** were on original payment then the opposite would be entered.

**Example:** -10 hours vacation on original payment would be +10 hours vacation on reversal.

Step	Action						
1.	Select <b>Paydata&gt;Manual Cheques&gt;New</b> .  <b>Note:</b> If no manual cheques exist for your company, the New Transactions window displays automatically.						
2.	Type an <b>Employee File Number</b> or click <b>Select</b> to choose an employee.						
3.	Select <b>Transaction Type&gt; Reversal of Existing Cheque&gt;OK</b> .						
4.	Select <b>Hours and Earnings</b> tab,  1. Enter or select <b>Tax Frequency</b> that applies to manual cheque, refer to table for reference. <table><tr><th>IF</th><th>Then Enter</th></tr><tr><td>Missed a complete pay period</td><td>Tax Frequency appropriate to your payroll frequency. 2 = Bi-weekly S = Semi monthly M = Monthly 1 = Weekly <b>Note:</b> Refer to drop down menu for other choices if required.</td></tr><tr><td>Missed few hours that were paid in a previous pay period or topping up a previous pay period</td><td>Tax Frequency zero (0)</td></tr></table> 2. Enter or select <b>Temp Department</b> if applicable. 3. Enter or select <b>EI assessment week</b> . 4. Enter Regular Hours, Regular Earnings, OT Hours, OT Earnings and other hours and earnings in field 3,4,5 if applicable.  <b>Note:</b> Remember to enter using negative amounts.	IF	Then Enter	Missed a complete pay period	Tax Frequency appropriate to your payroll frequency. 2 = Bi-weekly S = Semi monthly M = Monthly 1 = Weekly <b>Note:</b> Refer to drop down menu for other choices if required.	Missed few hours that were paid in a previous pay period or topping up a previous pay period	Tax Frequency zero (0)
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Step	Action
5.	<p>Select <b>Taxes</b> tab,</p> <ol style="list-style-type: none"> <li>1. Enter <b>Federal tax</b> amounts (Non Quebec employees, add Provincial tax amounts to Federal Tax amounts).</li> <li>2. Enter <b>Provincial tax</b> amounts (Quebec Employees only).</li> <li>3. Enter <b>CPP/QPP</b> amounts.</li> <li>4. Enter <b>EI</b> amounts.</li> </ol> <p><b>Note:</b> QPIP if required is entered through Deductions Tab using deduction code 78.</p>
6.	<p>Select the <b>Deduction</b> tab,</p> <ol style="list-style-type: none"> <li>1. Enter or select applicable deduction code.</li> <li>2. Enter amount associated with deduction code.</li> <li>3. Repeat for further Deductions.</li> </ol> <p><b>Note:</b> Do not use deduction X, Y or Z when they relate to direct deposit code. Use Net Pay instead as in Step 9</p>
7.	<p>Select the <b>Taxable Benefit</b> tab,</p> <ol style="list-style-type: none"> <li>1. Enter or select applicable taxable benefit code.</li> <li>2. Enter amount associated with taxable benefit code.</li> <li>3. Repeat for further taxable benefits.</li> </ol>
8.	<p>Enter memos if applicable.</p> <ol style="list-style-type: none"> <li>1. Select <b>Memo</b> tab.</li> <li>2. Enter or select applicable <b>Memo Code</b>.</li> <li>3. Enter amount associated with <b>Memo Code</b>.</li> <li>4. Repeat for further <b>Memo Codes</b>, if applicable.</li> </ol>
9.	<p>Enter <b>Net Pay</b> Amount</p> <p><b>Note:</b> It is very important to note that when reversing out a direct deposit that deposit codes are not reversed, use Net Pay amounts instead. ADP does not reverse funds out of bank accounts.</p> <p>Once saved, you can run/print a Manual Cheque Full Report for reference.</p>