



Refund of Deduction Process

To process the refund of deduction check, the following steps should be taken:

1. Use the DEDSCN option in USPSCN and find the correct deduction record for the employee.
 - a. Use the modify option and enter a negative amount (amount to reduce the deduction check by and to refund to the employee) in the Error Adjustment field.
 - b. Remove any figures from the Amount/Percent or Board Share fields if those amounts are not to be processed at this time.
 - c. Verify the Start and Stop Dates. If they will prevent this deduction from pulling into this payroll, use the modify option to update them.

If reimbursement is through a regular payroll in which the employee is being paid, omit the following steps and process the payroll in the normal manner.

If processing the refund during a regular payroll but the employee is not otherwise being paid during the regular payroll, continue with the following steps to reimburse the employee and produce a check for that amount. If a special payroll is being run outside of the normal payroll schedule, see the steps starting on the next page instead.

2. Run the INICAL program.
 - a. Enter the pay of the month for the regular payroll being processed. Note that the refund will only be picked up during this payroll if the pay of the month selected corresponds to the deduction's pay cycle.
3. Add the employee in USPSCN/REFSCN. It is very important to not access UPDCAL_CUR for this employee. Accessing UPDCAL_CUR may cause the incorrect amounts to be paid to the employee.
4. Complete the payroll process by running CALCPAY, CHPRT, and CHKUPD. During CALCPAY, the amount in the error adjustment field of the applicable deduction is placed in the net pay amount. No other records are processed for this type of check. However, if the deduction being refunded was sheltered from taxes when originally withheld (i.e. an annuity deduction), Medicare and taxes will be withheld from the refund as applicable.
5. During CHKUPD, the deduction accumulators are reduced by the amount in the error adjustment field. This reduction includes YTD and QTD amounts. No adjustments are made to the gross accumulators. You will need to update these fields manually.
6. The employee will receive a check for the amount of the error adjustment, and this same amount will be withheld from the next deduction check processed for that particular deduction company. Even if the employee receiving the refund is set up for direct deposit, he/she will receive a physical check rather than a direct deposit check.



If a special payroll is being run outside of the normal payroll schedule, continue with the following steps to reimburse the employee and produce a check for that amount.

2. Run the INICAL program.
 - a. Enter a pay of the month that corresponds to the deduction's pay cycle.
 - b. Select the special payroll option.
3. Add the employee in USPSCN/REFSCN. It is very important to not access UPDCAL_CUR for this employee. Accessing UPDCAL_CUR may cause the incorrect amounts to be paid to the employee.
4. Complete the payroll process by running CALCPAY, CHPRT, and CHKUPD. During CALCPAY, the amount in the error adjustment field of the applicable deduction is placed in the net pay amount. No other records are processed for this type of check. However, if the deduction being refunded was sheltered from taxes when originally withheld (i.e. an annuity deduction), Medicare and taxes will be withheld from the refund as applicable.
5. During CHKUPD, the deduction accumulators are reduced by the amount in the error adjustment field. This reduction includes YTD and QTD amounts. No adjustments are made to the gross accumulators. You will need to update these fields manually.
6. CHKUPD requires that a USAS check number is entered before it will process. Because this payroll has no need of a USAS check (when you are processing a special payroll for only refunds of deduction), the number entered should be the next available number on file. This number will not be actually used on the USAS side; it acts as a dummy to allow CHKUPD to run. Once CHKUPD has been completed, the USAS check number can be re-used.
7. The employee will receive a check for the amount of the error adjustment, and this same amount will be withheld from the next deduction check processed for that particular deduction company. Direct deposit employees will receive a physical check rather than a direct deposit check.