



The premier UKG partner + HCM & WFM strategy and advisory experts

Best Practices for UKG Pro Quarterly Balancing & Reconciliation for Canada

April 9, 2025



Our mission is to enhance user knowledge through functional and thought leadership sessions, and to provide networking opportunities for the user community.



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“Sability UKG User Group”

2025 Canadian User Group Series

- April 9 – Quarterly Balancing & Reconciliation for Canada
- June 18 – Administering Terminations
- September 17 – Managing Records of Employment
- October 29 – Year-end and New Year Activities

Meet the Sability Team



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Consultant

Agenda

Understanding Balancing & Reconciliation

Timing: When Should It Be Done?

Steps to Balance & Reconcile

Importance of Accuracy & Compliance

Who Should Be Involved?

Final Step – Year-end

Risks

Resources

External Resources



Understanding Balancing & Reconciling

Payroll is one of the largest organizational expenses

Routine financial processes help to identify discrepancies

Ensures values are recorded in the correct accounts

Verifies payments are received as intended

Maintains the integrity of financial reporting

Accurate payroll data is critical for financial decision-making

Supports reliable financial statements for stakeholders

Tracking Payroll in Financial Statements

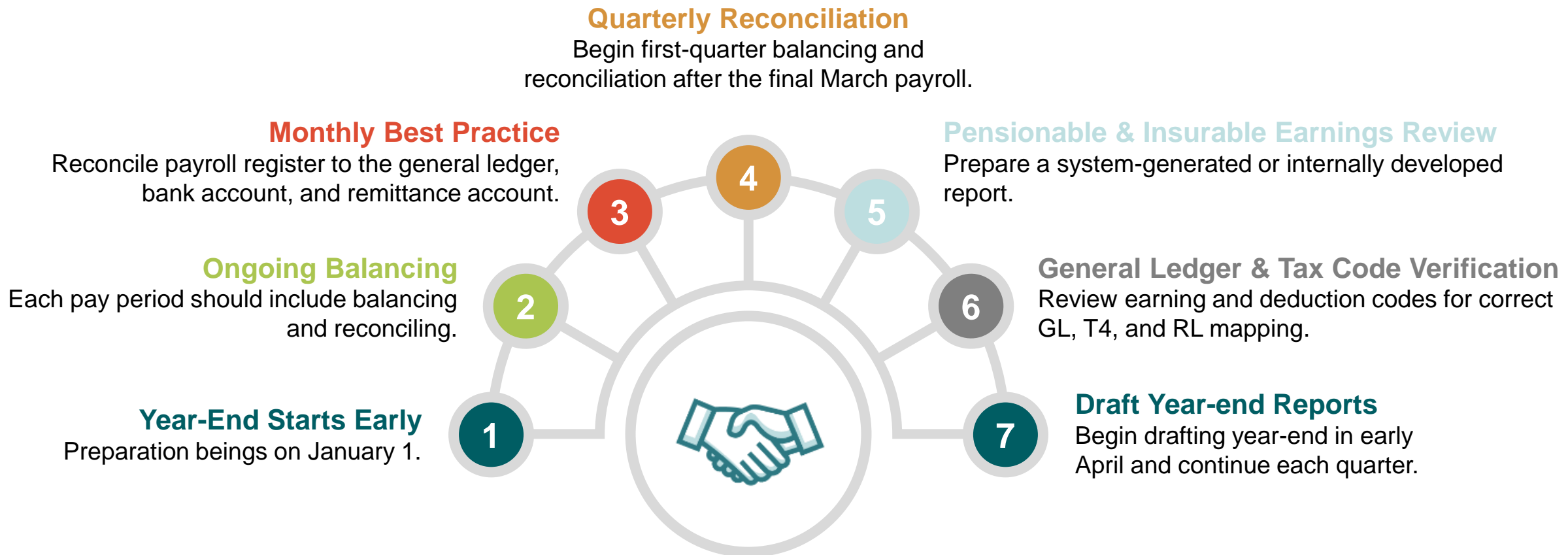
Consolidated Statements of Income
Dollar amounts in millions, except per share

	Year Ended December 31,		
	2023	2022	2021
Net sales	\$ 2,581	\$ 3,854	\$ 3,915
Cost of sales	(1,988)	(2,355)	(1,952)
Gross profit	593	1,498	1,963
Selling, general, and administrative expenses	(257)	(264)	(223)
Loss on impairments	(30)	(1)	(6)
Other operating credits and charges, net	(19)	16	1
Income from operations	287	1,250	1,734
Interest expense	(14)	(11)	(14)
Investment income	18	14	1
Other non-operating items	(43)	(97)	(22)
Income before income taxes	248	1,155	1,700
Provision for income taxes	(74)	(274)	(402)
Equity in unconsolidated affiliate	3	4	4
Income from continuing operations	178	885	1,302
Income from discontinued operations, net of income taxes	—	198	71
Net income	\$ 178	\$ 1,083	\$ 1,373
Net loss attributed to noncontrolling interest	—	3	4
Net income attributed to	\$ 178	\$ 1,086	\$ 1,377

Consolidated Balance Sheets
Dollar amounts in millions

	December 31,	
	2023	2022
ASSETS		
Cash and cash equivalents	\$ 222	\$ 369
Receivables, net of allowance for doubtful accounts of \$2 million at December 31, 2023, and \$1 million at December 31, 2022, respectively	155	127
Inventories	378	337
Prepaid expenses and other current assets	23	20
Total current assets	778	854
Timber and timberlands	32	40
Property, plant and equipment, net	1,540	1,326
Operating lease assets, net	25	44
Goodwill and other intangible assets	27	36
Investments in and advances to affiliates	5	6
Restricted cash	—	14
Other assets	20	24
Deferred tax assets	11	7
Total assets	\$ 2,437	\$ 2,350
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable and accrued liabilities	\$ 254	\$ 317
Income taxes payable	5	19
Total current liabilities	259	336
Long-term debt	347	346
Deferred income taxes	162	113
Non-current operating lease liabilities	25	41
Contingency reserves, excluding current portion	25	26
Other long-term liabilities	61	53
Total liabilities	880	916

When do we Balance & Reconcile?



How do we Balance & Reconcile?

Upon completion of each pay period, generate payroll reports.

- The organization could create and use a single report within BI, or
- Use the Available Standard Reports

The intent is to “balance” the payroll to the:

- General Ledger or the Trial Balance, if provided
- Federal Government Remittances (statement of accounts & the general ledger)
- Provincial Government Levy Remittances (statement of account & the general ledger)
- Workers Compensation Remittances (statement of account & the general ledger)
- 3rd party liabilities for RSP/Pension, Unions, etc. (statement of account & the general ledger)
- Benefit providers (statement of account & the general ledger)

Some organizations have financial analysts dedicated to this task; if not, it is assumed the payroll department is handling it.

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Summary Payroll Register

Pay Period Range: 202501010 - 202512319

Earnings					Employee Deductions	
Code	Hours	Current Amt	Shift	Shift Amt	Code	Amount
Report Totals:						
COCAR		250.00	Z		ADD	327.93
GTLTX		12,699.14	Z		COCAR	250.00
ONTRS		951.14	Z		CSB	1,153.00
QCRST		103.00				
REGHR	6,080.000000	86,880.00				
REGS	9,966.730000	321,203.25				
RRSPT		2,954.00				

T4 Detail Boxes (CAN)

Reporting Year: 2024

Tax Reporting Company:				
RP 0010		BN: 123456789 RP 0010		
Employee Name	Employee Number	Box 10 Prov	Form Type	
	001002084	ON	O	
	001002073	ON	O	
	001002056	ON	O	
	001002077	ON	O	
	001002050	ON	O	
	001002041	ON	O	
	001002010	ON	O	
	001002113	ON	O	
	001002096	ON	O	
	001002105	ON	O	
	001002125	ON	O	
	001002018	ON	O	
	001002121	ON	O	
	001002046	ON	O	
Report Totals:		Num		
16,046.730000		425,041		

	B	C	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	
T4 Detail Boxes (CAN)																										
Reporting Year: 2024																										
Tax Reporting Company:				Tax Group: Tax Grp 1 TBS BN: 123456789 RP0010																						
RP 0010				BN: 123456789	RP 0010																					
Employee Name	Employee Number	Box 10 Prov	Form Type	Box14 Total Income	Box16 CPP Contri	Box16A CPP 2nd Addl	Box17 QPP Contr	Box17A QPP 2nd Addl	Box18 EI Prem	Box35 PPIP Prem	Box20 RPP Contr	Box22 Income Tax	Box26 C/QPP Income	Box24 EI Income	Box36 PPIP Income	PP EX	EI EX	Box28 PPIP EX	Box44 Union Dues	Box45 Dental Benefits	Box46 Charit Donat	Box52 Pens Adj	Box50 Regist	Box50 Empl Code		
	001002084	ON	0	40,621.23	1,939.75				639.50			5,249.38	40,621.23	39,967.66												
	001002073	ON	0	59,091.66	2,887.77				856.36			9,679.19	58,700.00	54,200.00												
	001002056	ON	0	25,153.24	1,139.55				391.56			2,318.69	25,153.24	24,765.84												
	001002077	ON	0	53,144.80	2,596.38				765.01			8,270.71	53,144.80	48,370.00												
	001002050	ON	0	31,009.73	1,446.88				489.15			3,602.21	31,009.73	30,955.07												
	001002041	ON	0	63,382.52	2,896.50				856.36			11,920.27	58,700.00	54,200.00												
	001002010	ON	0	105,626.64	2,898.00				856.36			25,255.01	58,700.00	54,200.00												
	001002113	ON	0	478.40									478.40	0.00			Y									
	001002096	ON	0	32,473.35	1,523.46				507.02			3,908.69	32,473.35	32,082.31												
	001002105	ON	0	30,570.24	1,412.62				472.94			3,241.54	30,570.24	29,901.69												
	001002125	ON	0	478.40									478.40	0.00			Y									
	001002018	ON	0	159,163.30					856.36			50,906.54	0.00	54,200.00		Y										
	001002121	ON	0	387.40									387.40	0.00			Y									
	001002046	ON	0	47,508.30	471.27				729.89			8,049.80	9,783.33	46,078.55												
	001002017	ON	0	189,708.58	2,898.00				856.36			64,036.30	58,700.00	54,200.00												
	001002116	ON	0	478.40									478.40	0.00			Y									
	001002110	ON	0	478.40									478.40	0.00			Y									
	001002057	ON	0	31,566.13	1,475.46				489.16			3,709.85	31,566.13	30,957.73												
	001002107	ON	0	478.40									478.40	0.00			Y									
	001002123	ON	0	30,570.24	1,412.62				472.94			3,241.54	30,570.24	29,901.69												
	001002133	ON	0	387.40									387.40	0.00			Y									

Additional Reports

1. YOUR CONTENT INFORMATION
Appears in the left corner

3. ACTION YOU NEED
TO TAKE
Provides your
information and
if actions
are required

Remittance account balance

2019 current balance: **256,102.30**

Go green, go paperless
Get your mail online through My Business Account.
1. log in to www.cra.gc.ca/mybusinessaccount
2. select "Manage online mail"


Canada

4. YOUR CURRENT BALANCE
Provides you with your current-year balance

740902 J.D. Edwards & Co. Page No. . . . 2
General Ledger by Cat. Code 21 - Print Date
05.09.98 From 05.98 To

Company		70 Model Multi-National Corporate		Explanation		Explanation		Ref	Transactions		Balance		
P	Batch	Date	Number	Cy	ledger	T	Unit	Name	Remark	C Y	Debit	Credit	Balance
Balance forward . . .													28,259,725.02
05.09.98	AA P 00000001	72 AE	00000001	A				70 Rec Due To Acct	0000007225		75,742,092.24	47,483,045.52	
05.09.98	AA P 00000045	72 FI						70 as Millibolin Distributing Car Computer Check	00000000			29,625.21	
05.09.98	AA P 00000045	72 FI										1,071.79	
11.09.98	AA P 00000045	72 FI						7011 JNE Europe	649 RI			4,512.35	
12.09.98	AA P 00000045	72 FI						70 JNE Europe	415 AE		156.17	871.64	
12.09.98	AA P 00000045	72 FI						7011 JNE Europe	415 FF		1,466.98		
15.09.98	AA P 00000045	72 FI						7011 Eurosmart	835 RI			2,059.95	
15.09.98	AA P 00000045	72 FI						7011 International Enterprises	769 RI			7,000.00	
17.09.98	AA P 00000045	72 FI						70 JNE France	426 AE			156.54	
17.09.98	AA P 00000045	72 FI						7011 JNE France	426 FF		207.08		
17.09.98	AA P 00000045	72 FI						70 JNE France	424 AE			52,722.02	
17.09.98	AA P 00000045	72 FI						7011 JNE France	424 FF		10,866.68		
19.09.98	AA P 00000045	72 FI						70 JNE Europe	436 PL		705.12	705.12	
22.09.98	AA P 00000045	72 FI						70 European Motors	433 AE			228.57	
22.09.98	AA P 00000045	72 FI						7011 European Motors	433 FF		467.14		
22.09.98	AA P 00000045	72 FI						7011 International Transport	769 RI			5,000.00	
22.09.98	AA P 00000045	72 FI						7011 International Enterprises	802 RI			27,630.87	
21.09.98	AA P 00000045	72 FI						70 Rec Offset by Batch 200001942			5,370.89	597.54	
21.09.98	AA P 00000045	72 FI						70 Rec Offset by Batch 800001979				2,790.83	
21.09.98	AA P 00000045	72 FI						70 Rec Offset by Batch 200001982			2,059.95		
21.09.98	AA P 00000045	72 FI						70 Rec Offset by Batch 1 000000058			40,205.65		
21.09.98	AA P 00000045	72 FI						70 Rec Offset by Batch 200002146			10,905.00	2,405.00	
Total Period Transactions . . . 05/98											72,522.54	134,974.05	66,454.69
Period End Total 05/98											72,522.54	134,974.05	66,454.69

Balancing Spreadsheet

	A	B	C	D	E	F	G	H	I	J	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB		
1		<div><div>Reports Required</div></div>																										
2	Per Pay Balancing	Instructions: Enter totals from: Tax Liability Grand Totals, Wage Summary; Payroll Registers, T4 Reports, GL																										
3	By Month - Reports and Remittance	15-Jan	30-Jan	14-Feb	29-Feb	15-Mar	30-Mar	14-Apr	29-Apr	14-May	29-May	13-Jun	28-Jun	13-Jul	28-Jul	12-Aug	27-Aug	11-Sep	26-Sep	11-Oct	26-Oct	10-Nov	25-Nov	10-Dec	25-Dec	YTD	T4 Totals	RL1 Totals
4	CNFIT																											
5	ABPIT																											
6	BCPIT																											
7	MBPIT																											
8	ONPIT																											
9	Total Federal/Provincial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
10	EE CPP																											
11	EE CPP2																											
12	ER CPP																											
13	ER CPP2																											
14	Total CPP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
15	EE EI																											
16	ER EI																											
17	Total EI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
18	BC ER Health Tax																											
19	MB Health Tax																											
20	ON ER Health Tax																											
21	Total Health Tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
22	Quebec Provincial Tax																											
23	QCHS ER																											
24	QC CNT Levy																											
25	ER QPP																											
26	ER QPP2																											
27	EE QPP																											
28	EE QPP2																											
29	Total QPP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
30	QPIP ER																											
31	QPIP EE																											
32	QPIP Totals																											
33	Quebec Totals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
34	TLGT Totals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
35	Wage Summary (key in)																											
36	Variance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
37	Payroll Register (key in)																											
38	Employee Totals																											
39	Employer Total																											
40	Variance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
41	PD7A /CRA Remittance																											
42																												
43																												
44																												

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Automate with Excel Power Query

The screenshot displays the Microsoft Excel interface with the Power Query Editor open. The editor's ribbon includes tabs for File, Home, Transform, Add Column, and View. The Home tab is active, showing options like Close & Load, Refresh, Properties, Advanced Editor, and Manage. The Transform tab shows options like Choose Columns, Remove Columns, Keep Rows, Remove Rows, Split Column, Group By, Replace Values, Merge Queries, Append Queries, Combine Files, Manage Parameters, Data source settings, and New Source. The View tab shows options like Data Type, Use First Row as Headers, and Replace Values. The Query Settings pane on the right shows the query name 'Table.ReorderColumns' and the formula '=Table.ReorderColumns(#"Filtered Rows",{"Remarks", "Ref#", "ERP", "Bank", "Diff"})'. The main Excel spreadsheet shows a reconciliation process with columns for Source - ERP, Source - Bank, Reconciliation Statement, and Available only in ERP/Bank. The data is organized into tables with columns for Remarks, Ref#, ERP, Bank, and Diff.

Source - ERP	Source - Bank	Reconciliation Statement	Available only in ERP
Ref#	Amount	Particulars	Remarks
33439100	41,200	Balance as per ERP	Available only in ERP
58729700	96,880	Available only in ERP	Available only in ERP
58730000	26,230	Available only in Bank	Available only in ERP
58852500	47,070	Available in both but with Diff	Available only in Bank
59007900	41,740	Balance as per Bank	Available only in Bank
59008100	40,080		Available only in Bank
59027500	2,500		Available only in Bank
59028400	38,330		Available only in Bank
59152900	2,500		Available only in Bank
58730000	26,230		Available only in Bank
58852500	47,970		Available only in Bank

Why do we Balance & Reconcile?

Proactive Approach

- Helps prevent year-end surprises by addressing issues early

Fraud Detection

- Identifies potentially fraudulent activities through regular reconciliation

Process Optimization

- Uncovers inefficiencies and leads to improved processes

Financial Statement Accuracy

- Ensures a clear and accurate financial picture which is essential for effective financial management

Regulatory Compliance

- Avoids penalties, interest, and compliance issues, including regulations from Collective Bargaining Agreements

Operational Efficiency

- Frees up time to concentrate on managing other strategic priorities

Error Prevention & Improvement

- Reduces the compounding effects of errors and highlights areas for technology and training improvements

Who should Balance & Reconcile?

Cross-training & Documentation

- Include balancing and reconciliation in your standard operating procedures and payroll checklists

Shared Responsibility

- Distribute tasks among team members for greater team success

Team Involvement

- Involve your team in the entire process to create greater understanding, reduce errors, and help to identify potential problems

Segregation of Duties

- Assign different roles in the reconciliation process to enhance checks and balances

Collaboration Between Departments

- Involve Finance and HR teams to ensure alignment and accuracy

Approval & Oversight

- To ensure proper management and accountability, make sure there is an approval process in place that oversees management of the balancing and reconciliation process

Overcoming Common Challenges

Common Challenge	How to Overcome It
Missing Transactions Payroll deductions or payments not recorded	Perform regular reconciliations, automate alerts, and cross-check third-party payments
Timing Differences Payroll recorded at different times in GL vs. payroll system	Establish clear cut-off dates, update transactions promptly, and conduct regular reviews
Incorrect GL Mapping Payroll expenses coded incorrectly	Regularly review GL codes, align Finance and Payroll teams, and provide training
Duplicate Entries Errors from manual entry or system issues	Use automation to flag duplicates, conduct regular audits, and centralize data entry

Final Step to Quarterly Balancing

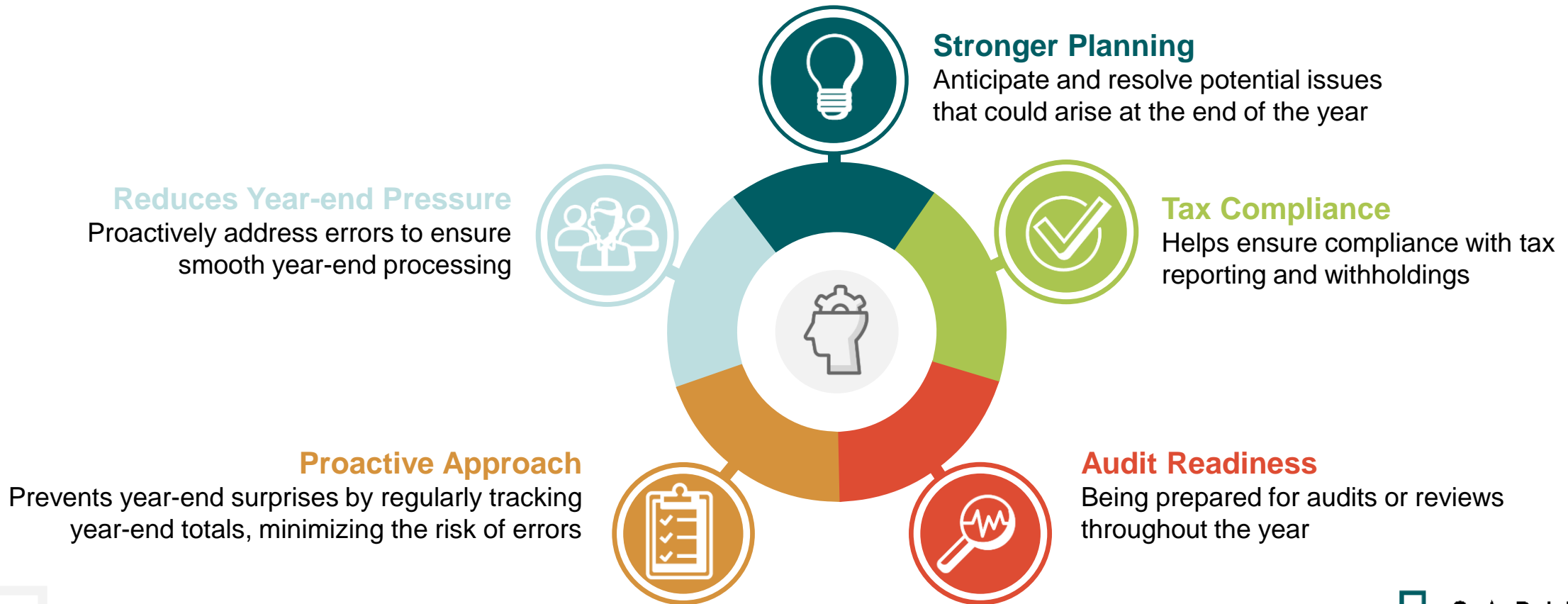
The next step in quarterly balancing is a 'trial run' of the year-end balancing process to ensure everything is aligned and ready for the actual year-end process.

Reduces common challenges faced at the end of the year:

- Tax filings
- Reporting requirements
- Reconciling deductions
- Final pay

Advantages of Quarterly Year-end Balancing

Processing year-end quarterly is a best practice:



Key Steps for Quarterly Year-end Balancing

1

Follow a checklist

Use your UKG's checklist and Sability's Best Practices Year-End checklists

2

Generate year-end reports

Run and analyze reports (T4/A, RL1/2 Detail Boxes Columnar (CAN), T4A, RL1/2 Detail Footnotes Columnar (CAN))

3

Review UKG configuration

Verify earnings and deduction benefit plans to ensure tax compliance (tax categories)

4

Tax Categories

Drive statutory withholding and reporting

5

Verify all payroll earnings and deductions

Ensure employee year-to-dates are accurate (taxable benefits, pension contributions, union dues, etc.)

6

Reconcile employee statutory withholdings

Check employee contributions on tax slips are accurate (C/QPP, QPIP, pension contributions, etc.)

Risks

Failure to balance and reconcile can:

Result in continued errors that are “non-compliant” in nature, leading to penalties and interest if detected in an audit

Create opportunities for possible fraudulent activity by allowing discrepancies to go undetected

Damage trust and create lack of confidence among employees and finance

Lead to inaccurate financial reporting causing unusual “peaks and valleys;” making decision making challenging

Trigger a domino effect, impacting multiple areas of the business

Lead to additional time and cost required for corrective actions

Additional Information

More Best Practices:

- Automate your checklists using Google Sheets or Smart Sheet applications
- Maintain a log report of errors and resolutions so any repeated errors are reduced and ultimately eliminated
- Maintain logical naming and filing conventions of your reports and spreadsheets
- Maintain proper security of confidential information (test your results often)
- Prepare Standard Operating Procedures with screenshots or using an applications – develop “how to” video and make them available to users
- Ensure you have a backup or business continuity plan in place for unscheduled interruptions

Sability Strategy & Advisory Resources



Canadian Configuration Expertise

Before, during, and after implementation/go-live to ensure the organization meets legislative compliance



Business Strategy

Support, develop, and implement business strategies to transform and improve business success



Resource Constrains

Optimize your workforce with occasional external resourcing focused on detecting compliance risks



Data Analysis

Provide insights to support decision-making and drive operational improvements

Canadian Payroll Alert Newsletter

The **Canadian Payroll Alert Newsletter** runs outside of the UKG Community and is emailed directly to you!

- 10 issues are published every year and cover a variety of payroll and HR topics

The March Newsletter included a Quarter-End Best Practice Process & Checklist!

Next publication: End of April

To be placed on the mailing list, email your contact information to customersuccess@sability.com



Thank you!

Stay Connected!

Become a member of our User Group by joining us on LinkedIn at “Sability UKG User Group”

Stay up-to-date on upcoming sessions and request topics that you would like to see in 2025!



What's next?

- April 30 – Tips for Transitioning from UKG Pro Backoffice to Web