PeopleSoft Country Extension for Mexico

ORACLE®
PEOPLESOFT

PEOPLESOFT COUNTRY EXTENSION FOR MEXICO

KEY FEATURES

- State-of-the-art, internet-based payroll solution
- Global architecture.
- Robust and intuitive actionable role-based analytics
- Seamless integration with PeopleSoft Time and Labor, Absence Management and Financials
- Configurable approval workflows with delegation capability
- Flexible and robust rules engine, flexible earnings and deductions
- Segmentation and Proration
- Retroactive Processing
- Statutory Requirements
- Mobile capabilities
- Simple and intuitive user interface

KEY BENEFITS

- Multi-country and multi-currency payments
- Increased accuracy and timeliness
- Stronger financial controls
- Superior insight via embedded payroll analytics
- Integrated solution for all your payroll needs – end-to-end payroll processing
- Lower Total Cost of Ownership

Managing your workforce globally often requires region or country specific features and functions in Human Resources and Payroll. Oracle's PeopleSoft Enterprise Human Resources and Global Payroll applications help make this possible. Being compliant with HR regulations is essential. Making timely payments to your workforce while lowering your total cost of ownership is a business goal your organization can achieve.

With PeopleSoft Enterprise country extensions, you have complete control over all aspects of your local HR and payroll operations, including statutory payroll and reporting requirements. The foundation of Oracle's PeopleSoft Enterprise country extension products is Oracle's PeopleSoft Enterprise Human Resources application and Oracle's PeopleSoft Enterprise Global Payroll, a state-of-the-art, internet-based payroll solution that is built on a truly global architecture.

The benefits of this architecture include streamlined application maintenance (because there is one core product and a single rules-based payroll engine) and easy deployment and management across borders (because the information is in one place).

Country Extension Strategy

The Global Payroll core application provides the flexibility to create country extensions that are isolated from the core engine.

Country Extension Content

Each country extension consists of statutory and customary rules, such as payroll and absence rules, including earnings, deductions, absence entitlements, absence takes.

Human Resources

In order to best support our customers, we often create country-specific features within our Human Resources product. These features work in collaboration with our Global Payroll and Global Payroll country extension products to form a cohesive and robust payroll solution that enables local compliance.

ORACLE®

Global Architecture

Global Payroll is a comprehensive, flexible payroll solution. You can run payroll in a central location for multiple countries using a single database. You can enter and access payroll and absence data from any location around the world. You can use Global Payroll for a single country, or have separate databases for some or all countries in a multinational environment. Regardless of your implementation architecture, Global Payroll is a truly global product, not a multi-local product with a single code line for all countries.

Rules-Based Product

Global Payroll is a rules-based product. All payroll processes, calculations, and results are determined by a set of rules that you can easily build. You can reuse the rules throughout the application to save time and space.

All rules are external to the delivered code line. The core engine contains no payroll rules, no preset sequence, and no tax algorithms. Instead, the rules are stored in the system, so no program modifications are required to tailor the solution to your requirements. You build a payroll solution unique to your needs by entering data into various online pages. In addition, Global Payroll provides sample rules that are meaningful and useful for customers seeking to utilize best practices for common payroll requirements when using Global Payroll Core for configuring their own country extensions.

User-defined elements are the base component of any rule. Because you can assemble elements in countless ways, Global Payroll is flexible enough to accommodate almost all payroll and absence rules. To define and execute payroll and absence calculations, you can use a flexible high-level language. There is no programming required. Payroll rule elements have attributes that you can use to calculate, accumulate, group, sequence, and aggregate pay items. Earnings and deductions, the heart of any payroll solution, are defined in PeopleSoft Enterprise Global Payroll as calculation rules.

We provide Global Payroll country extension products to alleviate the extensive development and maintenance time and expense that would be required to configure our core Global Payroll product for a specific country's payroll needs. This dramatically speeds implementation and still provides you with the ability to customize and configure your payroll application to meet your unique needs.

Flexible Earnings and Deductions

Your organization's unique payroll management requirements demand the ability to configure a payroll solution without losing the benefits of a standard, supported package. Our Global Payroll country extension products provide a unique, data-driven approach that enables you to define and manage your diverse payroll requirements that reflect your business policies. Earnings and deductions are defined as calculation rules with flexibility for total control over both their content and processing.

Payroll Reports

Each Global Payroll country extension product provides a comprehensive set of standard reports. Oracle also offers a broad range of flexible reporting tools to create and customize your own reports.

Self Service

Complement Global Payroll with PeopleSoft ePay. Employees can view their payslips online and can easily manage their net pay distribution to their own bank accounts. PeopleSoft Absence Management provides always-connected manager and employee an effective method for requesting Absence and staying on top of approval requests.
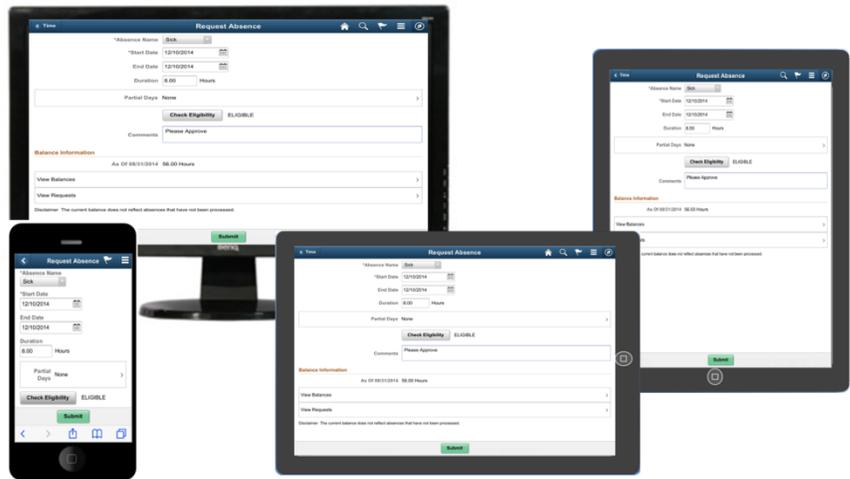
Simple, intuitive user experience on any device

Other Global Payroll Features

Global Our core Global Payroll product also has the following features available to all country extensions.

- **Processing Calculations**. To accommodate all your payroll processing calculations, Global Payroll enables you to create customized, flexible formulas using mathematical and logical elements in a simple and intuitive interface. You can define sophisticated rules and mathematical formulas simply by entering the appropriate attributes into online tables. Using a formula element gives further flexibility to define complex organizational needs.

- **Accumulators**. Global Payroll makes it easy to track accumulated amounts or balances over time.

- **Segmentation and Proration**. With Global Payroll, you can choose the events (such as leave of absence, transfer, salary change, or job change) that should trigger segmentation of pay components during a pay period.

- **On Demand Processing**. Global Payroll allows you to process a payment for any payee at any time using On Demand payment processing.

- **Retroactive Processing**. Global Payroll enables you to choose the events that trigger the flexible, user-defined retroactive process.

- **Absence Processing**. Global Payroll delivers a robust set of integrated absence management tools to give you complete control over absence management.

   Payroll Processing Framework. Global Payroll offers a flexible method for organizing your payroll elements into payroll runs. You can define all elements of the payroll process, including pay groups, eligibility groups and calendars, run types, pay periods, and process lists.

   Calculation Monitoring. The Global Payroll and Absence Monitor allows you to define your own alerts to monitor significant variations in Gross and Net payment calculations, as well as in Absences, and to compare with previous or against historical calculations. The Monitor provides embedded analytics and ability to drill down to Departments and to the Employee's results to identify any issue in payroll or absence calculation.

- **Multilingual Functionality**. Global Payroll offers a robust set of Multilanguage features that enable you to work in your preferred language.

   Multicurrency Functionality. Global Payroll smoothly handles multiple currencies for even the most complex calculations. You can state, calculate, and distribute an employee's pay in multiple currencies.

- **Complete, Integrated Solution**. Global Payroll integrates with other PeopleSoft Enterprise solutions such as Human Resources, Time and Labor, and Financials.

- **Data Archive/Purge Templates**. We deliver templates with documentation for archiving Global Payroll data, under specific conditions, to help you implement an archiving strategy to address the large amount of data that ERP applications create as well as to comply with regulatory requirements.

- **Move Data and Rules Quickly**. Use the Create Rule Package utility to package elements that you want to move between databases.

Key Human Resources Features for Mexico

Our Human Resources product has country-specific features to assist our Mexico customers with their Human Resources and payroll-related needs. The key Human Resources features for Mexico include:

- Company Table enhancements.

- Location Table enhancements.

- Establishments Table enhancements.

- Mexican Institute for Social Security Termination Date.

- Termination Dates.

- National IDs.

- SUA - Unique System of Auto determination Interface (Job Data).

- Action/Reason Table enhancements.

- Pay Frequencies.

- Salary Increase Method by Increase Matrix.

- Comisiones Mixtas (Training and Health and Safety Committees).

- Company Car.

- Global Fields Used in Mexico.

- Name Format (Personal Data).

- Personal Data.

- STPS Reports (Training Legal Requirements).

Key Payroll Features for Mexico

We have developed pre-built rules, processes and application pages to meet the unique needs of our customers managing their Mexico payrolls. The key Global Payroll for Mexico features include:

- Predefined Earnings elements including:

  - Base salary.

  - Christmas bonus (Aguinaldo).

  - Overtime.

  - Profit sharing (PTU).

  - Meal allowances.

  - Vacation premium.

  - Saving plans (Fondo de ahorro)

- End-to-End Tax Administration. Reduce the time you have to spend in managing tax administration. Global Payroll for Mexico comes with all functionality to let you correctly calculate and report taxes.

- Ability to define the tables that contain the tax rates, deduction limits, and other statutory data for Mexican payrolls.

- Determine taxable and non-taxable portion of each earning and deduction

- Ability to define and process federal taxes, state taxes, and annual tax adjustments complying with the most recent legal modifications.

- You can define the method for calculating employees' taxes. The available tax methods are ISR Article 96 (annual projection method, semimonthly projected method, adjustment at end of the month, adjustment during the month, without adjustment), Article 95 LISR (Severance pay method), Article 142 RISR (Vacation Premium, Profit Sharing, and Christmas Bonus methods), and Article 148 RISR (taxation method for consolidated payments).

- Ability to define and process many different types of deductions for Mexico including before tax, after tax, and non-taxable deductions. Examples of deductions include union fees, parking dues, absences, personal loans, and deductions based on seniority.

- Ability to calculate and process different aspects of social security according to the IMSS law, including IMSS (social security), SAR (retirement), and INFONAVIT (housing), and the ability to calculate the IMSS quotas for employers and employees and the fixed, variable, and hourly Integrated Daily Salary (SDI). Reports and interfaces include:

  - SUA Payee Load Interface.

  - SUA Transactions Interface.

  - IMSS Termination Notification (printed, ASCII, EDI).

  - IMSS Salary Modification Notification (printed, ASCII, EDI).

  - Variability Report.

  - Work Risk Disabilities.

  - Base Over Cap Report.

  - Risk Factor Report. You can create a report that lists all the workers who were on disability due to work-related illnesses or accidents during the year. The Risk Factor report contains information such as disability type (accident or illness), disability begin and end dates, percentage of permanent illness, and subsidized days for each employee who is on disability due to work-related accidents or illnesses. This report will help you in the annual Risk Factor percentage calculation process.

  - Risk Factor and Variable SDI reports.

- Comprehensive Absence Management: define and track absence types including:

  - Maternity rules.

  - General illness rules.

  - Work risk and in transit rules.

  - Rules for other absences (paid-permitted and unpaid-permitted).

  - Treatment of overlapping absences (such as illness during vacation).

  - Subsidy rules (such as the number of paid days, rate base, and percentage).

  - Mass absences (record the same absence take for a selected group of employees).

  - Generate vacation entitlements.

  - Create mass vacation takes.

  - Handle negative entitlement balances.

  - Track accrued vacation premium for financial reporting.

- Process vacation pay.

- Delivered absence element INC ENF TR will allow you to record work-related illness' details in the Absence Event Entry page.

- Ability to indicate the payroll process to deduct employee's absences from the Christmas bonus payment calculation for a specified pay group.

- Vacations Summary inquiry page for employees.

- Ability to generate one report with two options: with or without employee detail.

- Four different loan types:

  - Company loans.

  - Faltante de Caja (loans to cover cash shortages after a cashier balance, most commonly used in the retail sector).

  - INFONAVIT (Housing Authority).

  - FONACOT (institution that provides loans to workers for purchasing appliances).

- Garnishment Management: You can define and process garnishments including defining recipient information and handling complex requirements, such as multiple garnishments for an employee with different rules and priorities. Rules provided for:

  - Fixed amount.

  - Net pay percentage.

  - Total earnings minus tax percentage.

  - Total earnings percentage.

  - Specific earnings minus corresponding tax percentage.

- Reports. Global Payroll Mexico delivers thirty six reports including tax and social security reports complying with the most recent modifications to legislations.

- You can generate payslips and specify the printing order, which earnings and deductions should be printed, and the range of employees for whom you want to generate payslips. You can select the earnings and deductions you want included on the payslip on the Payroll Reports Format page.

- Generation of PDF payslips that employees can review and print online.

- Functionality to meet Form 37 tax reporting requirements for inter-company transfers where internal companies have a different employer RFC within system.

- Provisions tracking and calculation. Provisions are accrued expenses. You can setup provisions for vacations, vacation premiums, Christmas bonuses, and IMSS employee quotas in General Ledger. You can also generate a provisions report.

- Final check calculation for terminated employees. System enables you to define different termination versions and which earnings and deductions are considered in each version. You can also define which termination versions are linked with each Job Action/Reason. Sample letters for both termination and lay-off.

- Mass Termination. Ability to process a Termination Payroll without entering the movement at job. This process can be used for a single employee or for multiple employees within the same Pay Group.

- Ability to calculate both gross-to-net earnings and net-to-gross earnings.

- You can define source bank and payee bank information. You can run the banking process and specify payment instructions to the bank. The system generates flat files for the top five Mexican banks: Banamex, BBVA Bancomer, Banorte, HSBC, and Scotiabank.

- Retroactive payroll processing. You can list the events that trigger retro for a pay run. In the triggers definition, you define which earnings/deductions are eligible for retro calculations and their corresponding recipients, if applicable.

- Ability to generate the flat file interfaces for the top coupon providers in Mexico and could include coupons for food, gasoline, and restaurants.

- System calculates the average salary based on previous balances or periods. The results can be used as a basis for calculating earnings and deductions.

- You can use batch positive input to reduce time-consuming data entry for both earnings and deductions.

- Ability to insert Mass Positive Input of Earnings and Deductions for a group of payees in a specific calendar.

- A delivered accumulator allows you to track individual arrears with ease.

Set Up CFDI and Payslip MEX

- FDI/XML (Fiscal Digital Receipts by Internet). Global Payroll for Mexico provides the ability to print and on-line inquires for the payslips. The process provides the ability to create the CFDI by each Employee and massive process; these files are placed in the server and will need to be sent to a PAC that will get the digital seal and certification from the SAT, once the PAC gets the digital seal and certification, GP Mexico provides the ability to complement the payslip with this information.

PeopleSoft Country Extension for Mexico

RELATED PRODUCTS

PeopleSoft Country Extension for Mexico is a fully integrated solution that works seamlessly with other PeopleSoft products. For more information on related applications, refer to product datasheets on the following:

- PeopleSoft ePay
- PeopleSoft Human Resources
- PeopleSoft Compensation and Benefits
- PeopleSoft Time and Labor
- PeopleSoft Absence Management.

Visit [PeopleSoft Information Portal](#) for further updates and announcements on PeopleSoft products

- GP Mexico provides ability to inquire and download payroll XML CFDI. The payslip has been enhanced to display SAT codes associated to each earning/deduction in the payslip. GP Mexico also provides the ability to inquire and download new XML in self-service.

- Support for different payment methods for vacations' premium. Vacations' premium can be paid as anniversary (employees receive their entire vacation premium on their employment anniversaries), proportional (employees receive their vacation premium as they take vacations throughout the year), and annual (employees receive their entire vacation premium for the year on a specified date that you define).

- Ability to define ChartField remapping data used during the General Ledger interface process and post payroll costs to differing levels of ChartFields based on GL groupings codes or accounts.

- Predefined archive object and archive template to aid you in archiving your result data using the Data Archive Manager.

CONTACT US

For more information about PeopleSoft Country Extension for Mexico visit oracle.com or call +1.800.ORACLE1 to speak to an Oracle representative.

CONNECT WITH US

- blogs.oracle.com/oracle
- facebook.com/oracle
- twitter.com/oracle
- oracle.com

Hardware and Software, Engineered to Work Together

Oracle is committed to developing practices and products that help protect the environment