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Oracle Payroll  
How to pay third parties from voluntary deductions.

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**Overview**   
  
This guide demonstrates the necessary steps to generate a check for third parties from employees’ salaries as a voluntary deduction.

**Purpose**

This document details the steps to generate checks for the third party from an employee’s salary as a voluntary deduction. This document also provides all the required pre-requisite steps and configuration. Tips on how to prepare the Voluntary deduction element, how to convert it to a third party.   
  
**Business Case**   
  
This is a common situation when an organization tries to pay the voluntary deduction of an employee to a third party through check payment. We cannot achieve this with the delivered Voluntary deduction setup from the system. As the delivered system only deduct the voluntary deduction from the employee’s salary.  
As a Payroll Administrator, they would like to modify the system to generate the check to third parties from voluntary deductions in each pay cycle. This document provides the detailed steps to handle this kind of situation.

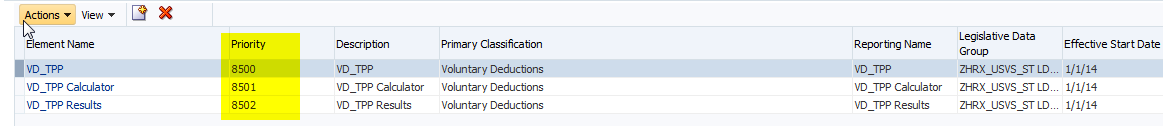
**Creating Voluntary Deduction Element**

Note: If you already have an Administrative Life Event, you do not have to create a new one

**Third-Party Payment using Voluntary Deductions**

Step 1: Create a Voluntary Deduction element

Step 2: Change the Priority of the Calculation and Result element (This is to provide the Indirect Result in SPR)



Step 3: Create an Input Value called ‘Payee’ for the **Base element** with the Third-Party Context and Special Purpose value set.

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1. We need to select UOM as Integer so that the Third-Party Payee Reference will be displayed.
2. Value Set for the Payee name cannot be used as they are enabled only for Characters.
3. Database Item is being created to be used in Formula.

Step 4: Create a similar input value for the **Results element** as well.

1. Input Value at the base element is for the end-user to enter the value
2. Input Value at the Result Element is for the Balance Feed

Step 5: Modify the Calculator Formula: Add these statements highlighted below.

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**Note**:

If the element was created at the Payroll Relationship level, then the DBI should be <element name>\_REL\_ENTRY\_VALUE.

If the element was created at Assignment Level, then the DBI should be <element name>\_ASG\_ENTRY\_VALUE.

Step 6: Modify the Status Processing Rule of the Calculator Element

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Add the Payee as an Indirect Result to Results element

Step 8: Add balance feed to Third Party Payment Balance

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Step 7: Assign this element to the employee and provide the input Value and Third-Party Payee id as value for ‘Payee’



Third-Party Payee ID can be obtained for hz\_parties table or PAY\_ORG\_PAY\_METHODS\_F or PAY\_PERSON\_PAY\_METHODS\_F