

KPMG/EPIC

The mission is possible: year-end and ongoing host payroll collection

Companies today are facing more challenges than ever before in serving their international assignee population and assisting with corporate reporting requirements. Management is demanding a reduction in the time and cost of key transaction processes within their human resources and payroll departments. As a result, international assignment professionals are looking for technology tools to help make these administrative tasks more efficient and cost effective. KPMG/EPIC is a software program designed to help with this.

What are the problems?

For many companies, collecting and analysing international payroll information is a time-consuming and difficult task that often occurs at the busiest time of the year. Payroll professionals often face barriers in obtaining information from, and communicating with, the various departments involved in managing an international assignment. These difficulties can arise from language barriers, different home and host country computer systems, and cultural differences - to name just a few. The information is usually received in various formats and in different currencies. On top of everything else, duplication of key information is common, and there are often errors resulting from either improper currency conversions or improper grouping of expenses in compensation categories.

As a result, critical payroll reports and tax forms often contain errors, correction of which requires additional

time and effort. This results in penalties and interest being assessed for late remittance of taxes, earnings statements requiring corrections, and international assignees becoming confused by the receipt of multiple earnings statements. You have been there, lived it, and been on the other end of that telephone call.

Solution – KPMG/EPIC

KPMG's International Executive Services (IES) practice assembled a multi-disciplinary team of tax, payroll, technology, and international human resources professionals to develop a leading technology solution called KPMG/EPIC (Expatriate Payroll Information Collector). This solution was created to help companies avoid common pitfalls associated with collecting host payroll information on international assignees. By transforming this task into an efficient, standardised, and cost-effective process, payroll and HR administrators can focus on the more strategic and high-level aspects of international assignment management.



Benefits to You

KPMG/EPIC is an easy-to-use software program designed to help you manage the process of gathering and updating compensation data from international host locations and, when possible, electronically transferring that data into payroll systems.

KPMG/EPIC can:

- Provide a standardised tool to collect data on host compensation payments
- Automate entries into home payroll systems
- Improve workflow management
- Enhance communication between reporting entities
- Facilitate more up to date payroll reporting
- Allow home office or host location to enter necessary foreign exchange rates
- Support different reporting periods (i.e., fiscal or calendar year)
- Allow you to use your company's own terminology for compensation elements and online help

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- Remove limits on the number of assignments for an international assignee in any one year
 - Facilitate reporting by employee and by assignment
 - Decrease time spent on pay reconciliations
 - Decrease earnings statement amendments
 - Easily accommodate updates and changes in items collected

KPMG/EPIC provides a single database for collecting an expatriate's current payroll information. Here's how it works.

Easy System Setup and Update

We will work with you to determine the best way to set up the system. If it is more efficient to perform a one-time load of employee data, we can assist you in this process. We can also train someone in your organisation to perform this function. Once the home and host offices are established in the system and terms have been defined, host offices are set up via an automated routine. After setup is complete in the host locations, files are sent from the home office to each host location to complete. The host location loads the files and completes the payments by expatriate and e-mails the file back to the home office - where it is loaded back into the system.

Reporting Feature

Reporting can occur at any time in the process, and reports can be viewed online or printed out for review. The most meaningful reports can be generated after the home office loads the host payment information into the system. Some examples of reports are:

- International assignee listing by assignment, country, and type
- Year-to-date host payments by international assignee, tax year, and host country

Electronic Feed of Host Information into Payroll

When the collection process is completed, an electronic feed can be established to load the information into the home payroll system or your tax gross-up calculation tool. KPMG/EPIC was designed with the flexibility to work with almost any payroll system.

Who do I contact to find out more?

To learn more about KPMG/EPIC or to arrange for a demonstration of the product, please contact one of the following:

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