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Payroll

The ACS Payroll module can help you easily manage payroll procedures for your organization.

With ACS Payroll, you can:

- Track all employee information including vacation and sick time, regular pay, sick pay, and overtime.
- Pay via printed checks or use the Direct Deposit feature - ACH format - to provide the option of electronically depositing payroll checks for employees who choose to participate.
- Print W-2s, 941s, and other payroll reports, such as the Time Sheet Journal (a listing of employee hours, their jobs, and date), Payroll Journal (provides total gross wages, a listing of deductions, FICA, State and Federal Income Tax, Medicare, etc.), and Check Register Journal.
- Enter time sheets for each employee and set up payroll tax adjustments in addition to customized additions, deductions or contributions.
- Post payroll automatically to General Ledger in detail or summary.
- Perform voiding functions for checks that have been written using ACS as well as void and issue manual checks.
- View annual updates to keep your payroll tax schedules up to date with federal and state requirements.

Using this Guide

If you're new to ACS Payroll, you might find the ACS Payroll - Startup Outline and Setting up the Payroll Module information helpful.

Current users may want to revisit Adding and Updating Local and Other Tax Tables or Adjusting Employee W-2s.

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ACS Payroll Overview

The ACS Payroll module helps you easily manage your church, school, or organization's payroll procedures.

Here are a few of the Payroll module's many features:

✓ The Direct Deposit feature. Using your bank's setup information and employees' checking account information , you can generate an ACH (Automated Clearinghouse) file that your bank can use to distribute payroll checks electronically.

✓ You can run the Payroll program on a different posting period than the ACS General Ledger module.

✓ You can track vacation and sick time. You can allow the time to accrue, or you can enter all of the hours at once. If you choose to use the accrual method, vacation and sick time accrues automatically when you process payroll.

✓ You have flexibility in issuing payroll checks. You can process an entire payroll run or issue checks one at a time.

✓ You can generate a Form 941 for the current quarter and past quarters, and you can generate employee W-2 forms at any time during the current year and for past years.

✓ ACS Payroll includes a wide variety of reports to meet your needs, including the Customized Payroll Listing that offers extensive filtering, sorting, design, and field selection capability for the ultimate in custom report development.

✓ You can easily load standard and custom time sheet information.

✓ You can track Workers' Compensation benefits for each employee and pay employees from multiple cost centers.

✓ Payroll supports IRS requirements, including printing Forms W-2 and the Form 941, which assists an employer in calculating taxes and tax liability.

✓ ACS also offers annual updates to keep your payroll tax tables up-to-date with federal and state requirements.

ACS Payroll Procedures Outline

Here's an outline of daily, weekly, month-end, quarter-end, and year-end procedures for Payroll. To learn more about a process, we've linked each step to procedures related to that task.

Daily/Weekly procedures

1. Gather Payroll information from Time Cards, the Employee Transmittal report or another method of record keeping.
2. Enter Time Sheets.
3. Print the Time Sheet Journal.
4. Print the Payroll Journal.
5. Print Payroll Checks.
6. Print the Check Register.
7. If necessary, Reprint Payroll checks.
8. If necessary, Void Payroll checks.
9. Post Payroll to General Ledger.

Month-end Procedures

1. Finish all daily/weekly procedures.
2. Print all desired reports.

Quarter-end Procedures

1. Finish all daily/weekly and end of the month procedures.
2. Print Form 941.

Year-end Procedures

1. Finish all daily/weekly, end of the month, and end of the quarter procedures.
2. Back up all financial data files.
3. Print W-2 forms.
4. Enter Vacation and Sick Time information for the new year.

Getting Started with ACS Payroll

The Payroll Getting Started guide is designed to help you understand and set up the ACS Payroll module.

First, we suggest reading through the Startup Outline. You could even check off each setup step as you complete it.

After reading through the Startup Outline, you can set up posting options, the group insurance table, and time off options for your employees. Then, you can define adjustments, cost centers, pay types, and worker's compensation. You can also add or update local tax tables, or add accounts to the chart of accounts, if you need to.

Once you've set up the module and defined lists, you can begin entering employee records. If you're rolling out Payroll during the middle of the year, you can enter accumulated W-2 totals to date.

Finally, you're ready to begin entering time sheets and complete the payroll posting process.

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ACS Payroll - Startup Outline

Before using the ACS Payroll module, use the following startup procedures:

1. If necessary, Add Local Tax tables.
2. If necessary, Add General Ledger accounts.
3. Define Payroll setup options.
4. Define Cost Centers.
5. Define Worker's Compensation categories.
6. Define Pay Types.
7. Enter Adjustments.
8. Enter all employees and employee information into the system.
9. **Optional:** If beginning Payroll after the beginning of the year, enter any W-2 information that has accumulated for the year for each employee.
10. Begin entering Time Sheets.

Adding and Updating Local and Other Tax Tables

Local taxes are sometimes imposed by city, county, or district governments. For example, a special city, county, or district tax may apply to all individuals who live or work within that area. Although the tax may be called something other than income tax (such as occupational tax), the withholding process is virtually the same as that of federal and state income taxes.

If your local tax authority requires that you withhold local taxes on your employees' wages, you must enter the local or other tax tables in the Payroll module.

Other taxes are sometimes required by the federal government or state governments. Examples of other taxes are federal unemployment tax (FUTA) and state unemployment tax (SUTA). Since the percentage for FUTA and SUTA may vary, ACS does not set it. You should consult an accountant or tax adviser to determine if these, or any other, taxes apply to your church or organization. Some tax tables use fixed amounts or percentages, while others rely on calculation formulas.

When editing the Form W-2 for local taxes in boxes 18 and 19, you can include three local taxes, but only two display on the printed W-2. If there are more local taxes, you must print a separate W-2 to account for multiple local taxes. The W-2 form instructions (on the back of the W-2) tell you how to handle this type of situation.

When printing W-2s, ACS determines local taxes by the checks posted to the code(s) attached to the employee record. If local taxes do not print on the W-2, make sure the current local tax code is assigned to the employee's record on the **Taxes** tab in Add/Edit Employees.

At the end of each year, ACS Technologies provides a tax table update for the Payroll module that updates the federal and state tax tables. Loading the tax update does not affect the local tax table codes. You must manually enter changes to local taxes.

What makes up the Edit Tax Tables area?

The information at the top half of the Tax Tables window makes up the Withholding Formula. It contains exemption amounts, standard deduction amounts, the minimum and maximum standard deduction amounts allowed, and information that affects the formula. The Withholding Formula is used to calculate Taxable Wages.

The information at the bottom half of the window includes the Annual Withholding Rates derived from the state tax booklet and Federal tables. It contains wage ranges, the amount to be withheld for that range, and the percent of tax to add to that should they go over a certain amount in that range. The Annual Withholding Rates are used to calculate the Annual Tax. The system divides this annual tax by the number of pay periods entered on the employee's taxes tab when you run payroll.

To add local or other tax tables

You can add local or other payroll tax tables that apply to your organization at any time. If you want to take deductions from an employee's wages based on the new tax table, you must add the tax table code to an employee's record after adding the new table.

1. Under Advanced Tools, click on the **Admin Utilities** tab.
2. In the drop-down list, select **Edit Tax Tables**, then click **Go** .
3. Select **Local/Other**, then click **Add**.
4. Enter the tax table information in the appropriate fields.
5. To enter a two tiered local tax, in the bottom section, click **Add**. Then, enter the information based on your local tax and 2-tier information.
6. Click **OK**.

To update local or other tax tables

When you receive notification from a local tax authority of a tax table change, you need to update the tax tables to reflect those changes. Make sure to update the tax tables at the proper time to affect the employees' pay checks correctly. If you have any questions about when the tax changes go into effect, contact the tax authority from whom you received notification.

1. Under Advanced Tools, click on the **Admin Utilities** tab.
2. In the drop-down list, select **Edit Tax Tables**, then click **Go** .
3. Select **Local/Other**.
4. Select the tax table you want to update, then enter the tax table information in the appropriate fields.
5. Click **OK**.

Additional Field Information

Required Fields

- **TB#** — Displays the selected tax table number.
- **Table Name** — Displays the selected tax table name.
- **Tax Auth** — Displays the tax authority of the selected tax table.

Optional Fields

All amounts are provided by the tax authority, federal, state, or local.

- **Wage Limit** — Displays the maximum taxable federal wage amount. Federal taxes are not withheld once the employee's gross federal taxable wages reach this amount.
- **Exempt Amount** — Displays the allowance amount per exemption claimed.
- **Alt Amount** — Displays an allowance based on one of the following: an alternate allowance per exemption based on the Alt Trigger value, an additional allowance if Alt Trigger and Ex Percent exist, or an allowance amount for additional exemptions on Form W-4 if both Alt Trigger and Ex Percent do not exist.
- **Alt Trigger** — Displays an exemption number or an amount to which the alternate amount and/or exemption percent applies.
- **Ex Percent** — Displays an extra allowance percentage given in excess of the alternate trigger amount.
- **Sd Mclaim** — Displays the exemption number entered if standard deduction amount depends upon exemptions.
- **Sd Percent** — Displays the standard deduction percentage used. The standard deduction minimum amount (Sd Min) is used if greater.
- **Sd Min** — Displays the standard deduction minimum amount.
- **Sd Max** — Displays the standard deduction maximum amount.
- **EW Minslry** — Displays the annual salary threshold to which the EW Percent is used to calculate taxes for employees who apply.
- **EW Percent** — If an annual salary threshold (EW Minslry) exists, displays the percent used to calculate taxes for employees who apply.
- **Crd Dep** — Displays the additional credit amount that is multiplied by the total number of withholding exemptions.
- **Crd Min** — Displays the additional credit amount given per exemption.
- **Crd Max —** Displays the additional credit amount given per exemption past the Crd Trigger. This information is provided by the tax authority.
- **Crd Trigger** — Displays the number of exemptions in which the additional credit amount per exemption (Crd Max) is given for subsequent exemptions.
- **Federal Cap** — Displays the maximum federal income tax deduction allowed if state gives federal withholding deductions.
- **Low Income Exemption** — Displays the annual salary threshold to which no taxes are applied.

Amount Fields

- **Min** — Displays the beginning wage base for this tax bracket.
- **Max** — Displays the ending wage base for this tax bracket.
- **Taxes** — Displays the amount of taxes to withhold for this tax bracket.
- **Percent** — Displays the percentage of taxes to withhold for this tax bracket. If a value is entered in both Taxes and Percent, ACS withholds the Taxes amount plus the percent for the amount that exceeds the minimum wage amount.

Adding Accounts to the General Ledger Chart of Accounts

When adding an account, the only two fields that are required are the **Account Name** and the **Account Code**. No other fields are required to add an account; however, they may be required by your accounting standards.

To add an account

1. Under Manage Records, select the **Chart of Accounts** tab.
2. In the drop-down list, select **Add/Edit Chart of Accounts**, then click **Go** .
3. Select the heading you want to associate with this account.
4. Click **Add Account**.
5. In the **Account Code** field, enter the code.
6. In the **Name** field, type an account name.
7. If necessary, select the **Department**, **Fund**, **Committee**, and **Areas**.
8. If this is a checking account, select **Checking**. Then select the bank account associated with this checking account.
9. Enter any **Comments** about the account.
10. Click **OK**.

Entering W-2 Totals

If you begin using the ACS Payroll module after the first of the year, you can enter accumulated W-2 totals to date using Add/Edit W-2 Totals.

Before you can enter accumulated payroll totals for each employee, you must do the following:

- Enter all employees into the system
- Add Local Tax Tables (if applicable)
- Add Cost Centers
- Add Pay Types
- Enter Adjustments

Remember to break up your beginning total entries by quarter for each employee. Failure to enter employee totals by quarter results in incorrect totals on your Form 941. In addition, make sure to mark federal codes and pay types as taxable- otherwise the federal wages may not match the amounts for FICA and Medicare on the W-2.

Make a Backup

It's a good idea to perform a Financial backup before making any changes. Remember, it is easier to restore a backup than it is to try to “undo” changes, and the information you edit in the W-2 window prints on the Form W-2.

To enter W-2 totals

1. Under Manage Records, click the **Period End Procedures** tab.
2. In the drop-down list, select **Add/Edit W-2 Totals** and click **Go** .
3. In the Input W-2 Information window, click **Lookup** to select the **Employee** whose W-2 you want to adjust.
4. In the **Year** field, select the year for which you are entering or changing W-2 totals.
5. Under **Transaction information**, select the appropriate period. Select **Q1**, **Q2**, **Q3**, or **Q4**.
6. Enter the appropriate information in each field of the W-2, then click **Apply**.
7. A message displays, stating "You have entered or changed information in the Total Gross, Deduction, or Addition fields." If the statement is true, perform step #8 as necessary for your situation.

8. Follow the appropriate steps as they apply to your situation:
    - If you entered initial totals or edited the **Total Gross** field, the Add/Edit W-2 Wages window displays when you click **Apply**. Distribute this amount to the appropriate pay type and cost center. The default cost centers and pay types that display are defined on the **Pay** tab of the employee's record. If necessary, edit this information. Click **OK** to save your changes.
    - If there are deduction or addition adjustments associated with this employee record and you entered or changed information in the **Deduction** or **Addition** fields, the Add/Edit W2 Additions or the Add/Edit W2 Deductions window displays when you click **Apply**. Disburse the amount to the appropriate adjustment. Click **OK** to save your changes.
9. Click **OK** to continue.

Entering Total Gross and Adjustment amounts on W-2s

You can set up multiple wage records for an employee. When entering or editing an amount in the Total Gross field, you are prompted to specify to which cost center and pay type the total gross applies. When entering or editing adjustment amounts, you must specify to which adjustment the addition or deduction applies.

You must specify cost center and pay type information for the following:

- Total Gross
- Deductions
- Additions

For example

James Armbruster has two wage records associated with his employee record.

You are entering accumulated totals for James Armbruster, and you enter an amount in the **Total Gross** field. When you click **Apply**, ACS prompts you to apply the amounts to the appropriate pay type and cost center.

The default cost centers and pay types that display are defined on the **Pay** tab of the employee's record. If necessary, you can edit any of the displayed distributions, or add a new pay type and cost center. Any new pay types or cost centers that you add are recorded in the W-2 totals only. They are not added to the employee's record.

A similar window displays if you enter or change an adjustment amount, and you must specify to which adjustment the amount applies.

Note

When you add an adjustment or edit an adjustment amount, ACS prompts you for more information. In the **Adjust No.** dialog box, click the down arrow and select an adjustment in the drop-down list.

You cannot add a new adjustment in this window. Once an adjustment is selected, enter the amount to disburse to the adjustment and click **OK**.

Helpful hints for entering W-2 totals

Here are some helpful hints about adjusting W-2 totals:

- When you click **Apply**, the changes take effect immediately on the employee's W-2 for the selected year and the Form 941 for the selected quarter and year. If you click **Close** without applying the amounts, your changes are not saved. Click **Reset** to clear all information in the window.
- If you are editing existing totals, remember that any changes you make change the amounts that print on the Form 941 report.
- When changing the **Total Gross**, **Deduction**, or **Addition** fields, you are prompted to disburse the amount to a specific cost center and pay type. The default cost centers and pay types that display are defined on the **Pay** tab of the employee's record.
- The Net Pay is a calculated field. Gross - Taxes - Deductions + Additions = Net Pay. When you retrieve an employee's record, ACS tries to verify this calculation. If the calculation is not correct, an error displays.
- Each of the employee wage fields in the Input W-2 Information window represents the amount of employee wages that are taxable (according to the pay type used for those wage amounts). Depending on the taxable settings for each individual adjustment, adjustments for the employee may or may not be included in this window.
- You can view or print Forms W-2 at any time for the current year to determine if tax options are set up correctly. You can print W-2s for all employees or reprint for a single employee.
- You can print Forms W-2 for the previous year after your first payroll run for the new year.

Using multiple local tax tables when entering W-2 totals

You can enter up to three local tax tables for each employee. When entering W-2 totals for employees with more than one local tax table associated with their record, you must distribute the proper amount of the local tax to the correct tax authority.

When there are multiple localities on the W-2, ACS prints the sum for those localities in the appropriate fields on Form W-3.

To enter three local tax tables for an employee, enter wage and tax information for the first two tables in boxes **18** and **19** in the Input W-2 Information window. Enter information for the third local tax table under **Local Tax 3** under Transaction information on the same window.

For Example

Your employee, James Armbruster, has two local tax tables associated with his employee record. Taxes for Florence County, SC, and Darlington County, SC, apply to this individual.

Let's assume that the total local income tax for this employee is **$127.50**, but the employee paid **$102.45** to Florence County (Local Tax 1) and **$25.05** to Darlington County (Local Tax 2).

1. When entering the tax totals in box **19**, enter $102.45 for Local Tax 1 and $25.05 for Local Tax 2.
2. Click **Apply**.

Defining Lists in Payroll

In Payroll Define Lists, you can add and edit information related to your organization's pay types, adjustments, cost centers, and worker's compensation. You can also print reports listing each item.

Defining Pay Types

Pay types designate which payroll taxes apply to all or part of an employee's wages. Assigning the correct pay type to an employee's record ensures that the appropriate payroll taxes are withheld in the correct amounts and reported to the Internal Revenue Service. As long as the employees are taxed the same, you can use the same pay type for multiple employees. However, if you want a different description to print on the pay checks, use different pay types. The pay type description prints on the pay stub for each employee.

Pay types also mark the accrual of vacation and sick time wages, and you can use pay types to designate whether or not employees are included in the Workers' Compensation Basis.

When setting up pay types, remember that pay type descriptions print on the employees' pay stubs, so be sure you have meaningful descriptions for all Pay Type categories. Pay type changes are global and affect every employee whose records are associated with that pay type.

To generate Forms W-2 at the end of the year, you must select the federal and state withholding fields for all employees (including clergy who may be eligible for special tax treatment.)

Note

If you want vacation and sick time to accrue for the employees, you must select the **Accrue Vacation**, **Accrue Sick**, and **Add to Worker's Comp Basis** options.

Even if you enter vacation and sick time accrual information on the Time Off tab in the employee's record, the amounts do not accumulate as specified if you do not set up the employee pay type correctly.

In Payroll Define Lists, you can

- Add pay types
- Update or delete pay types
- Print the pay type listing report

Adding Pay Types

In Payroll Define Lists, you can add pay types and associate them with employee records.

Pay types designate which payroll taxes apply to all or part of an employee's wages. For the Local Taxable field, you can select which local taxes apply. Assigning the correct pay type to an employee's record ensures that the appropriate payroll taxes are withheld in the correct amounts and reported to the Internal Revenue Service.

You can also designate a pay type as a **Time Off Pay Type**. Time off pay types are for pay for military leave, jury duty, medical leave, etc. that do not accrue time. For example, you could set up a Time Off pay type for jury duty, since it does not accrue, but if you want to change your vacation/sick wording to Paid Time Off (PTO), you would rename the Vacation and Sick fields on the **Time Off** tab in Payroll - Setup.

To add a pay type

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Pay Types**, then click **Add**.
4. In the **Pay Type Code** field, enter a unique identifier for the new pay type. The identifier is a three-character alphanumeric code.
5. Enter a **Pay Type Description**.
6. If the pay type is for time off, such as jury duty or military leave, select **Time Off Pay Type**.
7. Depending on which taxes apply to the pay type, select the appropriate **Tax Flags**. For example, if the pay type is flagged as Federal Taxable, Box 1 on the W-2 is increased, and line 2 on the 941 is decreased.
8. If vacation and/or sick time accrue, select **Accrue Vacation** and **Accrue Sick**.
9. **Optional:** To add another pay type, click **Add Another**.
10. Click **OK**.

Updating and Deleting Pay Types

You can update pay type information at any time, however, you cannot delete a pay type if it is associated with an employee's record.

To update pay types

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll**, then click **Go** .
3. Under **Available Lists**, select **Pay Types**.
4. Select the pay type that you want to change, then click **Edit**.
5. Enter the revised information in the appropriate fields, then click **OK**.

To delete pay types

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll**, then click **Go** .
3. Under **Available Lists**, select **Pay Types**.
4. Select the pay type that you want to delete and click **Delete**.
5. Click **Yes**.

Printing the Pay Type Listing Report

You can print the Pay Type Records List report at any time.

When printing the report, you can select the following options:

- **Include Detail** — For each pay type listed in the report, the code and description is printed. Each tax option is printed and the selection for each option. A list of the employees assigned to the pay type is also printed. To include this detail in the report, select this option.
- **Include Inactive Lists** — To include pay type records that are not active, select this option.

To print the Pay Type Listing report

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Pay Types**, then click **Print**.
4. **Optional:** Select **Include Detail** or **Include Inactive Lists**.
5. Click **Preview** or **Print**.

Defining Payroll Adjustments

Adjustments are used to modify employees' gross pay by an addition to, or a deduction from, their pay. Whether or not you can use the same adjustment for multiple employees depends on the accounts that you use. If you do not use separate accounts to track the adjustment amount for each employee, you can use the same adjustment. However, if you have different accounts for each employee, you must separate adjustments.

Common adjustments include:

- **Additions** — An amount or percentage added to an employee's pay, such as a Christmas bonus or receiving Social Security monies. The amount is distributed to a debit (Expense) account.
- **Deductions** — An amount or percentage deducted from an employee's pay, such as Health Insurance. The amount is distributed to a credit (Liability) account.
- **Contributions** — An amount or percentage that is neither added to nor deducted from an employee's pay, such as an employer's Tax Deferred Annuity. This is an employer contribution which is distributed to both a debit and a credit account because a contribution is an expense to the organization and a liability that must be paid.
- **Group-Term Life Insurance** — An amount that is neither added to nor deducted from an employee's pay. However, the amount is included as wages in boxes 1 (Wages, tips, other compensation), 3 (Social Security wages), and 5 (Medicare wages and tips) of the W-2. The amount is subject to social security, Medicare, and state withholdings. State withholdings are dependent on the state for which the W-2 is created. The amount is not subject to federal withholdings. This adjustment is used to track the cost of life insurance coverage over $50,000 provided to an employee. The adjustment is not assigned an amount until it is associated with the employee record and is not distributed to an account.

In Payroll Define Lists, you can:

- Add adjustments
- Update or delete adjustments
- Print the adjustment listing report

Global Adjustment Options

Global adjustments affect all occurrences of the adjustment and can save time when an adjustment applies to multiple employees. Instead of creating several identical individual adjustments, you can create one global adjustment and apply that adjustment code to a group of employees. If the adjustment is a temporary addition, deduction or contribution, set a global limit for the maximum amount or percentage, and the adjustment deactivates when the limit is reached.

If employees have a global adjustment associated with their file, the specified amount or percentage is the default unless you associate a non-global or individual adjustment with an employee file and override the Global Amount and Global Limit. If you do not want adjustments to start over in the new year, remove them from the employee's record at the beginning of the year.

For example, suppose 20 employees in your organization have decided to contribute $10.00 per pay period to a non-profit world hunger organization for 6 months. You create an adjustment where the Global amount is $10.00 and set the Global limit to $60.00. Then, you apply the adjustment to the records of participating employees. Prior to the pay period when the first deduction is taken, an employee decides to increase the amount of her donation from $10.00 to $20.00 per period. You edit the employee's record from the Adjustments tab of Add/Edit Employees and create a $20.00 individual adjustment with a $120.00 individual limit that will override the $10.00 global adjustment for that particular employee (without affecting the nineteen employee records still using the global adjustment).

Tip

If you need to apply several adjustments that are nearly identical, instead of creating multiple individual adjustments, create a global adjustment, apply it to each employee record and make minor modifications as needed. For example, all of your employees have health insurance, but different premiums. Create a global adjustment for health insurance but set the amount to zero. Apply the adjustment to each employee's record and change the amount as necessary.

Payroll Adjustments and Applicable Taxes

When entering an adjustment, you must indicate whether taxes and Worker's Compensation calculations apply to the adjustment. By default, the six tax fields and the Worker's Compensation field are all pre-selected. You can change the default settings if some taxes are not applicable to the adjustment you are entering. For the Local Taxable field, you can select which local taxes apply.

Examples:

- You are giving a Christmas bonus to your employees. This addition is taxable, but Worker's Compensation does not apply. Clear the Worker's Comp check box in Add/Edit Adjustments.
- A Tax Deferred annuity that employees contribute to is only subject to FICA taxes unless the organization is required to pay FUTA taxes. Clear all Tax Flags check boxes except for FICA and FUTA.

Some organizations make the entire contribution to a tax deferred annuity on behalf of a limited number of employees (such as the Pastor and Assistant Pastor). If the organization is required to pay FUTA taxes, clear all Tax Flags check boxes except for FICA and FUTA.

Note

This information is offered as a general guideline. For more information on this subject, consult a tax professional or purchase a church and non-profit organization tax guide such as:

- The Zondervan Minister's Tax and Financial Guide
- Church and Clergy Tax Guide

You can also visit the IRS Web Site.

How tax flags affect adjustments

The **Tax Flags** on the Add/Edit Adjustment screen determine what portion of an employee's adjustments are considered taxable income. The way that it affects the paycheck and the W-2 depends upon the type of adjustment.

Payroll adjustment	How the W-2 is affected
Deduction	**Selected:** The deduction is taken after taxes. Taxable income is not reduced. **Cleared:** The deduction is taken before taxes. Taxable income is reduced.
Addition	**Selected:** Additions are added before taxes are calculated. Taxable income is increased. **Cleared:** Additions are added after taxes are calculated. Taxable income is not affected.

Payroll adjustment	How the W-2 is affected
Employer Contribution	**Selected:** Taxable income is increased. **Cleared:** Taxable income is not affected.
Group Term Life	**Selected:** Taxable income is increased.

Adding Payroll Adjustments

Adjustments modify employees' gross pay by an addition to, or a deduction from, their pay. You can add adjustments and associate them with an employee's record at any time.

Each adjustment is coded for a particular pay period. The pay periods affected by the adjustment depend upon how an employee is paid (weekly, biweekly, semi-monthly, monthly) and whether or not the adjustment is applied to every pay period in which that employee is paid.

In addition, each adjustment is calculated as a dollar amount or a percentage of pay; it is applied per hour or per pay period. You cannot assign a per hour adjustment to a salaried employee.

To add an adjustment

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Adjustments**, then click **Add**.
4. Enter information in the appropriate fields.
5. **Optional:** To add another adjustment, click **Add Another**.
6. Click **OK**.

Additional Field Information

Add/Edit Adjustments

Adjustment Code
If adding a new adjustment, enter a unique identifier for the adjustment. The identifier is a three-character alphanumeric code. If editing an existing adjustment, enter the identifier, or select an adjustment in the drop-down list.

Types of Adjustments
Select the appropriate type of adjustment in the drop-down list.

- **Addition** — Additions are added before taxes are calculated and increase the taxable income.
- **Deduction** — Deductions are taken after taxes and do not reduce the taxable income.
- **Employer Contribution** — Employer contributions increase the taxable income.
- **Group Term Life Insurance** — Group Term Life Insurance increases the taxable income.

Description
Enter a description of the adjustment.

Active
Select to mark the adjustment as **Active** or **Inactive**.

Debit Account
Enter a general ledger expense account number for an addition or an employer contribution.

Credit Account
Enter a general ledger liability account number for a deduction or an employer contribution.

For Period
When adding or editing adjustments, you can set the adjustment for any or all pay periods. If no pay period is selected, the adjustment is not calculated.
For each adjustment, you define which period the adjustment is taken. If an adjustment does not work for an employee, you may need to edit it and select the correct pay period. There are up to six pay periods in any given month, depending on your organization's pay schedule:

- **Weekly** — There are five regular pay periods, plus a sixth period that is used for vacation pay, sick pay, etc. The fifth regular pay period only occurs four times per year.
- **Biweekly** — There are three regular pay periods, plus a fourth period that is used for vacation, sick pay, etc.
- **Twice per Month** — There are two regular pay periods, plus a third period that is used for vacation, sick pay, etc.

Tax Flags
Depending on which taxes apply to the adjustment, select the appropriate options.

Calculation Details

Amount
To calculate the adjustment as a dollar amount, select this option.

Percentage
To calculate the adjustment as a percentage, select this option.

Period
To calculate per pay period, select this option.

Hour
To calculate per hour, select this option.

Global Amount
If the same amount applies for everyone who receives the adjustment, enter the amount.

Global Limit
If the same limit applies to everyone who receives the adjustment, enter the limit. If a deduction is no longer withheld from an employee's Payroll check, you may need to remove or increase the limit here, or edit the employee's adjustments.

W-2 Totals

Box
Select the Box in which W-2 Totals print and, if applicable, enter a Code/Description.

Add Another
To add another record, select the check box.

Updating or Deleting Payroll Adjustments

You can update adjustment categories at any time, however, you cannot edit an adjustment's code or delete an adjustment associated with an employee's record.

To update adjustments

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll**, then click **Go** .
3. Under **Available Lists**, select **Adjustments**.
4. Select the adjustment that you want to change, then click **Edit**.
5. Enter the revised information in the appropriate fields, then click **OK**.

To delete adjustments

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll**, then click **Go** .
3. Under **Available Lists**, select **Adjustments**.
4. Select the adjustment that you want to delete and click **Delete**.
5. When the confirmation message displays, click **Yes**.

Printing the Adjustment Report

You can print an adjustment list at any time. When you choose to print the report, you can select any of the following options:

- **Include Detail** — For each adjustment, the adjustment code and description is printed. Other information that is included is the category and type of adjustment, the frequency, the global amount and limit, general ledger expense account and checking account numbers. The status of each type of taxable income is printed also. To include detail information for each adjustment, select the check box.
- **Include Inactive Lists** — To include the adjustments that are not active in the list, select the check box.

To print the adjustment report

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll**, then click **Go** .
3. Under **Available Lists**, select **Adjustments**, then click **Print**.
4. **Optional:** Select **Include Detail** and/or **Include Inactive Lists**.
5. Click **Preview** or **Print**.

Calculating Group Term Life Insurance

Group Term Life Insurance is calculated as the taxable cost per month of coverage and is calculated by multiplying the number of thousands of dollars of insurance coverage (figured to the nearest tenth) less 50,000, by the cost from the group insurance table.

For Example

The employee's total coverage is 90,000 and his current age is 59, but he will turn 60 in the current year. His taxable cost per month would be:

(90,000 – 50,000) = 40,000

40,000 x .66 rate = 26,400

This amount is then multiplied by 12 and divided by the employee's pay frequency. This total is the **calculated cost per period**.

26,400 x 12 months = 316,800 / 26 Pay periods = $12.18 per pay period.

Group-term life insurance is a term life insurance protection for a fixed time. Amounts provided to an employee that are more than $50,000 must be reported by the employer as part of the employee's wages. These amounts are included as wages in boxes 1 (Wages, tips, other compensation), 3 (Social Security wages), and 5 (Medicare wages and tips) of the W-2.

The amounts are subject to Social Security and Medicare withholdings. State withholdings are dependent on the state the W-2 is created for. The amounts are **not** subject to Federal withholdings.

Amounts provided to an employee that are less than $50,000 should not be included as part of the employee's wages.

To add a group term life adjustment on an employee's record

1. On the employee's record, click the **Adjustments** tab.
2. Click **Add**.
3. Enter the **Adjustment number**.
4. Enter the employee's date of birth if it is not entered on the **Data** tab.
5. Enter the total life insurance coverage amount.
6. The Calculated cost per period displays. Click **OK**.

Adjustments for W-2 Box 12 and Box 14

You can add adjustments for W-2 Box 12 and Box 14 in Define Lists, which will modify employee's gross pay by an addition to, or a deduction from, their pay, and you can also add adjustments that are employer paid contributions. You can add adjustments and associate them with an employee's record at any time.

In Box 12 you can enter Codes A - EE. Some common codes used for Box 12 are Code C, Code AA, and Code DD.

- Code C - Taxable cost of group-term life insurance over $50,000.
- Code AA - Designated Roth contributions under a section 401(k) plan.
- Code DD - Cost of employer-sponsored health coverage.

> **Reporting Employer Provided Health Coverage in Form W-2**
>
> The Affordable Care Act requires employers to report employer provided health coverage costs on employees' Form W-2. This item is to be reported in Box 12 using Code DD.
>
> For more information, view the IRS' requirements for reporting employer-provided health coverage.

In Box 14, you can enter "other" items. For example, if you are using an adjustment for an auto or housing allowance.

To add a payroll adjustment, see Adding Payroll Adjustments. You can also manually make any needed adjustments for the quarter or yearly W-2 totals through Add/Edit W-2 Totals.

To learn more about Box 12 and Box 14 for Form W-2, see the IRS' Instructions for Form W-2.

Defining Payroll Cost Centers

Cost centers specify which General Ledger accounts are updated by payroll activities. The gross salary amount posts to an expense account, while the net amount posts to a checking account.

By associating cost centers with an employee's record, you can track wages paid to a single employee or group of employees, pay different portions of employees' wages from multiple checking accounts, and track other forms of employee compensation such as pensions and housing allowances. If you track each employee's pay separately, use a different cost center for each employee. However, if you track payroll as one expense account, you can use the same cost center for each employee.

You can make cost centers as general or as specific as you need them to be. You can use general personnel accounts to track office or day care personnel. You can use an expense account to track an employee's position in the organization (such as Salary/Senior Pastor and Salary/Financial Secretary), or you can create a specific line item expense account (such as Pastor/Housing Allowance or Pension/Family Counselor).

In Payroll Define Lists, you can:

- Add cost centers
- Update or delete cost centers
- Print the cost center listing report

Using Cost Centers To Track Wages

When tracking employee wages, you can use cost centers to associate each employee or a group of employees with a general ledger expense account.

The level of specificity is up to you and depends on the needs of your organization. Use a general personnel account to associate a group of employees with an account if you only need to know total expenses generated by the entire group, or use an expense account created for a specific position in your organization to track an individual's wages.

> **Note**
>
> When determining how many cost centers are needed for your organization, print the Analysis of Revenues and Expenses report from the General Ledger module. Use the Salary Expense section as a general guide to the number of cost centers needed, verify account numbers, and create cost center descriptions.

Examples: General Personnel Accounts

Cost Center	G/L Account	Employee
Office Personnel	005017 - Church Office Salaries	Ralph Nance
Office Personnel	005017 - Church Office Salaries	Anderson Swift
Day Care Personnel	005109 - Day Care Salaries	Jill Genetty
Day Care Personnel	005109 - Day Care Salaries	Jason Glenn

Examples: Specific Personnel Accounts Associated with an Individual Employee

Cost Center	G/L Account	Employee
Pastor	005010 - Salary/Senior Pastor	Ralph Nance
Mail Clerk	005058 - Salary/Mail Clerk	Anderson Swift
Day Care Supervisor	005110 - Salary/Day Care Sup.	Jill Genetty
Day Care Attendant	005156 - Salary/Day Care Att.	Jason Glenn

Using Cost Centers To Track Other Compensation

You can also use cost centers to track compensation in addition to hourly or salaried wages. These cost centers are tied to specific line-item general ledger accounts.

Example: The Pastor's housing allowance and pensions are additional forms of compensation, but you want to track them separately from the Pastor's salary. In addition, you want to pay the Pastor's pension from a separate checking account. You set up the following cost centers:

Description	Expense Account	Checking Account
Pastor's Housing Allowance	005012	001015
Pastor's Pension	005034	001000

Using Cost Centers to Pay Employees from Multiple Accounts

Each cost center is associated with a Checking Account (as defined in General Ledger).

By assigning multiple checking accounts to cost centers, you can pay employees from multiple accounts. However, if you are using separate checking accounts on one payroll check, the checking accounts must be part of the same physical bank account. You can not cross banks in a single transaction.

Example: You have an employee who works in the Church Office 25 hours per week as a secretary and 15 hours per week in the Church Day Care as an attendant. The Church Office and the Church Day Care pay their employees from separate checking accounts; therefore, you set up the following cost centers:

Description	Expense Account	Checking Account
Secretary	005050	001025
Day Care Attendant	005515	001020

To pay the employee from the checking accounts shown above, simply distribute the appropriate number of hours for each cost center used when you enter Pay Types in the employee's record.

Adding Payroll Cost Centers

A cost center specifies which general ledger accounts (checking and expense) to debit and credit for the wages of each employee. You can add cost centers at any time, and you can add as many cost centers as you want to meet the needs of your organization.

To add a cost center

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Select **Cost Centers**, then click **Add**.
4. On the **Data** tab, enter information in the appropriate fields.
5. Click **Tax Accounts**, and if necessary, enter information in the appropriate fields.
6. **Optional:** To add additional cost centers, select the **Add Another** check box.
7. Click **OK**.

Additional Field Information

Data

- **Code** — When adding a new cost center, enter a unique identifier for the cost center. The identifier is a three-character alphanumeric code. When editing a cost center, enter this code.
- **Active** — Select to mark the cost center as Active or Inactive.
- **3rd Party ID** — Enter the cost center's third-party ID. This is the code as it exists in the third-party time clock software. For example, if cost center 25 in ACS is cost center 33 in Time Clock Plus, the 3rd Party ID is 33.
- **Description** — Enter a description of the cost center.
- **Expense Account** — Enter a general ledger expense account number.
- **Checking Account** — Enter a general ledger checking account number. Be sure the checking account is marked as a checking account in Add/Edit Chart of Accounts. Otherwise, you may receive an error when entering time sheets.
- **Workers' Comp** — Select a workers' compensation code.

Bank Account Information

- **Account Name** — Displays the cost center's checking account. This account must be flagged as checking in Add/Edit Chart of Accounts.
- **Bank Name** — Displays the name and address of the bank for the cost center's checking account.
- **Account Number** — Displays the bank account number of the cost center's checking account.
- **Tax Accounts** — Click to access the **Tax Accounts** tab.
- **Add Another** — To add another cost center, select this option.

Tax Accounts

- **Withholding Accounts** — Enter the tax withholding expense or liability accounts as defined in the general ledger.
- **Earned Income Credit** — Enter the earned income credit expense account in the general ledger. The Earned Income Credit account should be set up as a liability account. If you have it set up as a separate liability account in the chart of accounts, you will be able to track federal withholding separate from earned income credit payments.

Updating or Deleting Payroll Cost Centers

You can update a cost center at any time, however, you cannot change a cost center's code or delete a cost center associated with an employee's record.

To update cost centers

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll**, then click **Go** .
3. Under **Available Lists**, select **Cost Centers**.
4. Select the cost center that you want to change, and click **Edit**.
5. Enter the revised information in the appropriate fields and click **OK**.

To delete cost centers

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll**, then click **Go** .
3. Under **Available Lists**, select **Cost Centers**.
4. Select the cost center that you want to delete and click **Delete**.
5. When the confirmation message displays, click **Yes**.

Printing the Cost Center Listing Report

You can print a Cost Center List report at any time.

When you print the report, you can select any of the following options:

- **Include Detail** — For each cost center, the cost center code and description is printed. Other information that is included is the general ledger expense account and checking account as well as the bank account code. The tax account general ledger account numbers are printed also. To include detail information for each cost center, select the check box.
- **List Only** — This list includes the cost center code, the third-party ID, and the description of each cost center. You cannot print this list with the Detail list. To print this list, select the check box.
- **Include Inactive Lists** — To include the cost centers that are not active in the list, select the check box.

To print the adjustment report

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll**, then click **Go** .
3. Under **Available Lists**, select **Cost Centers**, then click **Print**.
4. **Optional:** Select **Include Detail?**, **List Only**, and/or **Include Inactive Lists?**.
5. Click **Preview** or **Print**.

Defining Workers Compensation

Your workers' compensation policy is based on an employee's job type and risk of injury. Each state publishes a list of codes that defines an employee's job type.

The table below shows examples of possible workers' compensation codes and descriptions. The list is for instructional purposes only- contact your insurance provider for an up-to-date list of Workers' Compensation codes for your state. If your insurance agency cannot provide you with a list of codes, you can create a list of codes using a unique code for each category. Your policy lists the insurance premiums for each job type.

Worker's Comp. Code	Description	Applies To ...
000001	Professional	Office Personnel in a low-risk environment.
000002	Maintenance/Industrial	Maintenance personnel involved in the upkeep and cleaning of buildings and/or grounds.
000003	Light Construction	Maintenance personnel who perform any type of carpentry, or operate over 10 feet above ground.

Using workers' compensation codes is optional, and when you apply the codes to employee records, the Payroll module tracks the estimated cost of premiums for each workers' compensation group. You don't need to create a liability account for workers compensation, as it does not affect the General Ledger.

In Define Lists, you can

- Add worker's compensation categories
- Update or delete worker's compensation categories
- Print the worker's compensation listing report

Adding Worker's Compensation Categories

Your workers' compensation insurance policy is based on a job type for each of your employees, which is based on a risk of injury. Each state publishes a list of codes that define employee job types. When you calculate worker's compensation, the employee's gross pay is multiplied by the rate assigned in Add/Edit Worker's Compensation Records.

Workers' compensation amounts accrue for tracking purposes, but are not posted to the general ledger.

To add worker's compensation categories

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Worker's Compensation**, then click **Add**.
4. Enter information in the appropriate fields.
5. **Optional:** To add another list item, select **Add Another**.
6. Click **OK**.

Additional Field Information

Worker's Comp Code
When adding a new worker's compensation code, enter the code assigned by your state. If you do not have a list of codes for your state, you can assign a unique six-character alphanumeric code of your own-however, the codes must be unique. When editing an existing code, enter the workers' comp code.

Description
Enter the job type description for the workers' compensation code.

Active
Select the check box to mark the record's status as **Active** or **Inactive**.

State
Enter your state's full name, or select it in the drop-down list.

Regular Rate
Enter the regular rate in decimal format listed in your insurance policy. For example, if your policy lists the rate as 1.2%, enter 1.2.

Overtime Rate
Enter the overtime rate in decimal format listed in your insurance policy.

Add Another
To add another workers' compensation code, select this option.

Updating or Deleting Worker's Compensation Categories

When updating worker's compensation categories, you can edit the description, state, or rates of each code, but you cannot change the code itself.

In addition, you cannot delete a category if it is associated with an employee's record.

To update worker's compensation categories

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll**, then click **Go** .
3. Under **Available Lists**, select **Worker's Compensation**.
4. Select the workers' compensation category that you want to update, then click **Edit**.
5. Enter the revised information in the appropriate fields, then click **OK**.

To delete worker's compensation categories

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll**, then click **Go** .
3. Under **Available Lists**, select **Worker's Compensation**.
4. Select the worker's compensation category that you want to delete.
5. Click **Delete**, then **Yes**.

Printing the Worker's Compensation Listing Report

You can print the Workers' Compensation List report at any time.

When you print the report, you can select the following options:

- **Include Detail** — For each category, the workers' compensation code and description is printed as well as the state. The regular and overtime rates are printed as well. Each employee assigned to the category with their employee code and cost center is listed also. To include this detail, select the check box
- **Include Inactive List** — To include workers' compensation categories that are not active, select the check box.

To print the Worker's Compensation Listing report

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Worker's Compensation**, then click **Print**.
4. **Optional:** Select **Include Detail** or **Include Inactive Lists**.
5. Click **Preview** or **Print**.

Defining Payroll Event Types

In Payroll Define Lists, you can add and edit custom event descriptions. This is helpful for recording and tracking events like salary increases, employee reviews, benefits, and hire information. You can use these custom event types to track events on the **Events** tab in Add/Edit Employees or print the Employee Events List report in Payroll Reports.

After adding event types, you can edit them if you need to or deactivate or delete them. You can also edit the Reprimand and Accommodation event types. You cannot delete the permanent event types (Hire, Exit, Evaluation, Raise, Comment, and Future Review), but you can edit their descriptions to meet your organization's needs or deactivate them.

To add an event type

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Event Types**, then click **Add**.
4. In the Add/Edit Event Types window, enter an **Event Type Description**.
5. In the drop-down list, select an event **Type**.
6. To add another event type, select **Add Another**.
7. When finished, click **OK**.

To edit an event type

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Event Types**.
4. In the grid, select the event type you want to edit, then click **Edit**.
5. Update the **Event Type Description** and **Type** as necessary. You cannot change an event's **Type** if it is in use.
6. To deactivate the event type, clear the **Active** checkbox.
7. When finished, click **OK** to save your changes.

To delete an event type

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Event Types**.
4. In the grid, select the event type you want to delete, then click **Delete**.

To print an event type listing

1. Under Advanced Tools, click the **Define Lists** tab.

2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Event Types**.
4. Click **Print**.
5. To display inactive event types, select **Include Inactive Event Types?**.
6. To preview the report before printing, click **Preview**. Or, click **Print** to send it to your printer.

Defining Employee Status

The employee status describes if an employee is full-time, part-time, temporary, etc. , and it's among the information included in an employee's profile.

After adding employee status descriptions, you can edit or delete them according to your organization's needs.

To add an employee status description

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Employee Status**, and click **Add**.
4. In the Add/Edit Status window, enter a **Status Description**.
5. To add another event type, select **Add Another**.
6. When finished, click **OK**.

To edit an employee status description

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Employee Status**.
4. In the grid, select the employee status description you want to edit, and click **Edit**.
5. In the Add/Edit Status window, edit the information.

> **Useful Information**
>
> To make the employee status description inactive, clear the **Active** check box. To view inactive employee status descriptions in the grid, select the **Show Inactive** check box in the Define Lists window.

6. When finished, click **OK** to save your changes.

To delete and employee status description

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Employee Status**.
4. In the grid, select the employee status description you want to delete, and click **Delete**.

To print an employee status description listing

1. Under Advanced Tools, click the **Define Lists** tab.

2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Employee Status**.
4. Click **Print**.

Setting up the Payroll Module

In the Payroll Setup window, enter the default information that defines your Payroll module. You can set up various options for posting, group insurance, and time off.

Setting Up Payroll Posting Options

On the **Posting** tab in Payroll setup, you can set up options for posting to the General Ledger and printing the Payroll Journal. You can also select your default Check and ACH sources, as well as set up the current posting period or change the Payroll posting period, and you can select to receive warnings when Federal or State tax codes are not assigned to employee records.

In addition, you can print a second check or plain paper when a check stub's adjustments exceed 11 lines, allowing you to list all adjustments in detail.

To set up Payroll posting options

1. Under Advanced Tools, click the **Settings** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Payroll Options**, select one of the following:
    - **Post Summary to GL** — To summarize payroll transactions by account and post them to the General Ledger in a lump sum, select this option. For example, if two payroll checks for $500.00 were created from Account 001025, one transaction will post to the general ledger for that account in the amount of $1000.00. Only Sources with a Source Type of **Check Credit** are available for the **Default Payroll Source**. However, if you make an error in payroll calculations, you may find it more difficult to locate the error and reconcile accounts using summary data.
    - **Post Detail to GL** — To post a transaction for each check (check number and amount) posted to the General Ledger, select this option. If selected, only sources with a source type of **Check** are available for the **Default Payroll Source**.
4. Select **Print Journal Summary** or **Print Journal Detail**. When payroll checks are posted in summary, only a total displays for the checks. Detail lists information for individual checks.
5. If you are networked and want to build check data on your local workstation by copying payroll information from the server, select **Optimize Payroll Journal**. Once the payroll check data is copied to the server, the local data is removed from the workstation.
6. To print a second check on plain paper when the stub's deductions and contributions exceed 11 lines, select **Print Other Adjustments on Overflow Check**. This option displays details for each addition, deduction, and contribution. Choose the appropriate printing option.
    - **Print on Checks** — If selected, only the additional deductions print on the next check, and the stub and check amounts are marked VOID.
    - **Print on Plain Paper** — If selected, only the additional deductions print on the next page (not on a check), and the stub and check amounts are marked VOID. After printing checks, ACS reminds you to remove the check stock and place plain paper in your printer.
7. Under **Default Source**, select the appropriate Check and ACH sources.
8. In the **Posting Month** and **Posting Year** drop-down lists, select the current posting period.
9. To automatically generate the next available code for new employees, select **Auto Assign Next Employee Code**. Then, enter a starting number in the **Next Employee Code** field.
10. To receive a warning that a federal or state tax code is missing on an employee's record, select **Warn if Federal Tax Code is not assigned** and/or **Warn if State Tax Code is not assigned**.

11. To verify the Group Insurance Table, click **Refresh Group Term Cost**.
12. Click **OK**.

Setting Up the Group Insurance Table

The Group Insurance table provides the cost of group-term life insurance per $1,000 of protection for one month. ACS calculates the cost based on age range, which is updated with the year-end update each year.

You can add, edit, or delete a line from the Group Insurance table. You can use the up and down arrows to move the lines up or down within the table, but you must keep the age ranges in the proper order for ACS to correctly calculate the cost.

To update the cost of group term life insurance for each employee who is currently associated with a group term life adjustment, you can refresh the Group Term cost. The new cost is based on the employee's age at the end of the current year.

To add a line to the Group Insurance table

1. Under Advanced Tools, click the **Settings** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Click on the **Group Ins. Table** tab.
4. Click **Add Line**.
5. Enter the employee age range and cost, then click **Ok**.

To update a line on the Group Insurance table

1. Under Advanced Tools, click the **Settings** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Click on the **Group Ins. Table** tab.
4. Click **Edit Line**.
5. Enter the updated employee age range and cost, then click **Ok**.

To delete a line on the Group Insurance table

1. Under Advanced Tools, click the **Settings** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Click on the **Group Ins. Table** tab.
4. Click **Delete Line**.
5. When the confirmation message displays, click **Yes**.

To refresh Group Term costs

1. Under Advanced Tools, click the **Settings** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Click on the **Group Ins. Table** tab.
4. Click **Refresh Group Term Cost**.
5. When the confirmation message displays, click **Yes**.

Setting Up Time Off Options

On the **Time Off** tab in Payroll Setup, you can change the vacation/sick wording to reflect the wording your organization uses (for example, Paid Time Off). You can also define the unit in which employees receive vacation or sick time (days or hours) and when the vacation/sick year begins.

You can also add two more types of time off under Description 3 and Description 4 that can be tracked the same way as your vacation and sick time.

If an employee is set to lose their time not taken before year-end, you can clear or roll over time. This lets you clear all time off, roll over remaining vacation and sick time, roll over vacation time (not sick), or reset accrued totals with the remaining time. The reset option refreshes the time accrued and taken to reflect the current year's information. Employees continue to accumulate time, and if a carry-over amount exists, it is added to the accrued amount.

To set up time off options

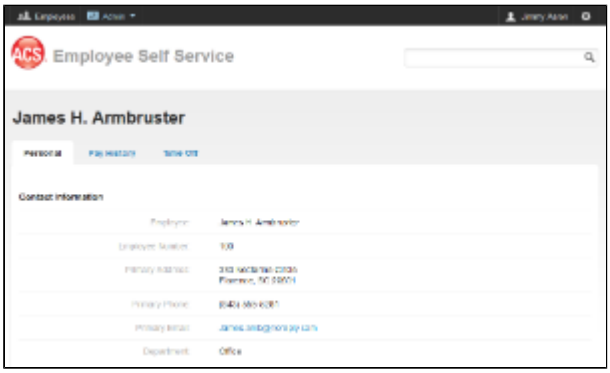
1. Under Advanced Tools, click the **Settings** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. On the **Time Off** tab, under **Define Descriptions**, enter or edit the descriptions for your vacation and sick time in the **Description 1** and **Description 2** fields. **Optional:** Enter the descriptions for additional time off types in the **Description 3** and **Description 4** fields.
4. In the **Abbrev.** field, enter or edit the abbreviation for each description. ACS uses this abbreviation on some reports and windows where there is not enough room for the full description.
5. In the **Code** field, enter or edit the revenue type selected on the time sheet. This code prints on some reports where the field is shortened, so the entire description does not display.
6. In the **Time Off Unit** drop-down list, select the units (Days or Hours) in which to display Vacation and Sick Time Remaining on payroll check stubs.
7. In the **Time Off Year Begins** drop-down list, select the month when vacation or sick time begins.
8. Click **OK**.

To clear or roll over time off

1. Under Advanced Tools, click the **Settings** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. On the **Time Off** tab, click **Clear/Roll Over Time**.
4. In the Clear/Roll Over Vacation and Sick Time window, select the appropriate option for vacation and sick time. If using the **Description 3** and **Description 4** fields, select the appropriate options for these fields as well.
5. To delete time off records for specific pay types, select **Delete Time Off taken records**, then select the pay type(s) in the drop-down list.
6. To clear or roll over time for all employees, including inactive ones, select **Include inactive employees**.
7. Click **OK**.

Setting Up ACS Employee Self Service

With ACS Employee Self Service, you can publish employee pay history and personal and time off information to a secure site for your employees to log in to and view their information.



For detailed information about the site, click here.

You will need to assign Employee Self Service security rights to the user who will register your site before you sign up. You will also need to assign these rights to any users who will need to upload records in the future.

To assign Employee Self Service security rights to an ACS user

1. Under Advanced Tools, click the **Admin Utilities** tab.
2. In the drop-down list, select **Add/Edit** Users and click **Go** .
3. On the **Users** tab, select the ACS user whose security rights you want to edit, then click **Edit**.
4. In the Edit User window, click on the **Security** tab.
5. Expand **Payroll** and select **Employee Self Service**.
6. Right-click on the field and select **All**.
7. Click **Apply**, then **OK**.

To register with ACS Employee Self Service

1. Under Advanced Tools, click the **Settings** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Click on the **Online Services** tab.
4. Click **Register**. (If you have not yet registered your site, you will see the option to register.)
5. Select the **Financial Dataset**.
6. Select the **Employee Record** of the administrator.
7. Enter and confirm the administrator's e-mail address and create a password. Enter your site information if it does not display. This information comes from **Site/Account Information** under **Admin Utilities**.
8. Click **Apply**. An e-mail is sent to the administrator with the authorization code.

After registering, you will receive an e-mail with an authorization code. In Payroll Setup, enter this code into the Online Services tab to proceed.

To enter the authorization code

1. Under Advanced Tools, click the **Settings** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Click on the **Online Services** tab.
4. Enter the authorization code sent to the administrator via e-mail.
5. Click **Submit**.

You will also receive an e-mail with a link to the login page of your Employee Self Service site. To validate your account, click this link, then sign in. Once completed, you can verify and upload your employee records to the site. When you verify employee records, you'll have a chance to edit incorrect information or add missing information.

To verify employee records

1. Under Advanced Tools, click the **Settings** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Click on the **Online Services** tab.
4. Click **Verify**.
5. Select the record you want to edit and click **Edit**.
6. Enter or edit the information, then click **Apply**.
7. Click **Print** to print a list of your employees and their information.
8. Click **Close**.

To upload records to the ACS Employee Self Service

1. Under Advanced Tools, click the **Settings** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Click on the **Online Services** tab.
4. If you do not want to print check stubs for ACH employees, clear the **Print Stubs for ACH Employees** check box.
5. Click **Upload**.

After you upload the records, you can send e-mail invitations to your employees in the form of a secure link. You have the option to send invitations to individual employees or to all employees at once. After the invitations are sent, instruct your employees to click on the link in the e-mail, create a password, and verify their account by entering their date of birth and last four digits of their social security number. Employees will then be able to log in and view their information.

Note

You will process the initial upload from this window. To upload records after the initial upload, use the upload option from the Enter/Post Payroll window or the Add/Edit Employees window.

ACS Employee Self Service

As the administrator, you will be able to view all of your employees, view the site information, and send invitations to your employees to register for the site. When employees log in to the Employee Self Service, their pay history and personal and time off information displays on corresponding tabs.

Administrator Information

When you log into the Employee Self Service site, the Employees and Admin options display on the top left. The Employees option displays the employees who have been uploaded, and you can click on an employee's name to view their information. Under the Admin option, you can select Site Profile or Invite Employees. At the top right of the menu, your name and a gear icon display. You can click on your name to view your information as an employee. When you select the gear icon, you can manage your account and settings, which gives you the ability to change the administrator e-mail address or password, and you can sign out from here. If an employee's record is displayed, you can select the gear icon to assign or remove admin rights to their record or delete their record from the site.

> **Caution**
>
> Employees with admin rights can see all information on the Employee Self Service site, including information about the other admin users.

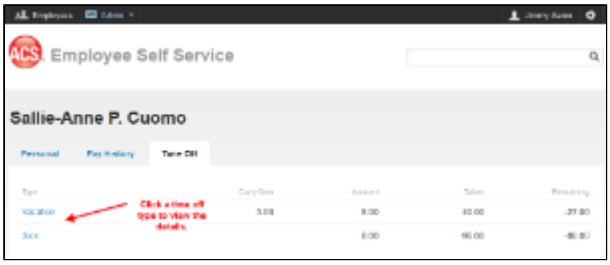
As the administrator, you can view the employees that have been uploaded, as well as their pay history and personal and time off information. You can send invitations to each employee to register for the Employee Self Service, and you can also send reminders to those who have been sent an invitation, but have not yet registered. You can sort the Send Invitations grid so that you can group employees together. For example, if you want to see all employees who have been sent an invitation.

The Site Profile displays the site name and address information. From here, the administrator can select the description that displays for Pay Lines when employees preview their check stubs, and can also add the church logo to display on the site. You can also decide whether to display the Time Off tab for your employees.

If you want to remove an employee's record from the site because they are no longer employed at the church, you can delete their account. You can make an employee inactive in the Payroll module to keep their records for IRS purposes, but can delete them from the Employee Self Service site.

Employee Information

Once an employee registers for the Employee Self Service, they can log in and view their pay history and personal and time off information.



The Personal tab displays the employee's name, primary address, primary phone, and primary e-mail address. Employees will have the option to send an e-mail to the administrator to let them know if any of this information is incorrect.

The Pay History tab displays check numbers, dates, hours, gross and net pay, taxes, additions, deductions, and contributions. Your employees can also view their check stubs for the current year and one year prior. The administrator can select the pay type description or cost center description for pay lines that display on the check stubs.

The Time Off tab displays the time off types, for example, vacation and sick time, and displays the amount of time carried over, accrued, taken, and remaining. Employees can click on a time off type to view the details, such as the dates and amounts of time taken.

Working with Employee Records

You can use the Add/Edit Employees window to create, manage, and view employee records.

When you add records, you can track an employee's basic information, such as personal and contact information, as well as employment dates, payroll options, taxes, adjustments, time off, and direct deposit information. You can also edit records as employee information changes.

If you use ACS People, Organizations, or HeadMaster, and an employee has a record in one of them, there's no need to add a new record; you can import existing records from these products. If you added a record to ACS Financial Suite, then find that the individual has a record in another product, you can link the records. However, be sure to refresh employee data occasionally to obtain record changes from those products.

You can also delete an employee if he or she has been inactive for over a year, or print a list of employees.

Adding Employee Records

When a new employee comes on board, you'll need to add a record for him or her in ACS Payroll. When you add a new record, you can include the employee's personal and contact information, as well as pay options, taxes, adjustments, time off, direct deposit information, and much more.

When you add an employee, first look for the name of the individual in the Global Name List. Adding an additional record to an existing individual is less time consuming than adding a complete record. If the individual is already in the Global Name List, adding an additional record prevents you from adding a duplicate record.

To upload a new employee to the ACS Employee Self Service site, the social security number, date of birth, and e-mail address must be entered. If you are registered for ACS Employee Self Service, a warning will display if you omit any of these items when entering a new employee record.

If a new employee already has a record in ACS People, Organizations, or HeadMaster, you can import existing information from those programs. To learn more, see Importing Employee Records from People Organizations or HeadMaster.

To add an employee record

1. Under Manage Records, click the **Records** tab.
2. In the drop-down list, select **Add/Edit Employees**, then click **Go** .
3. Click **Add**.
4. In the **Last Name** field, click **Lookup** to verify if the individual is in your Global Name List. Make sure to select **Show Inactive**.
5. If the individual is in your Global Name List, select the record. Otherwise, go to the next step.
6. Enter the appropriate information in the **Name Information** fields.
7. Enter the necessary information on the remaining tabs to complete the employee record.
8. When finished, click **OK**.

Keeping Accurate Employee Records

Keeping accurate employee records is extremely important.

In ACS Payroll, you can track an employee's time off, direct deposit information, adjustments, comments, pay, and contact information on the record. Some of this information is useful in case of emergencies, while other data helps you avoid errors when preparing W-2 forms. You can also deactivate employees who no longer work at your organization.

In addition, if you own ACS People Suite, Organizations, or HeadMaster, you can import records from those programs and refresh them frequently to ensure that you have the latest employee data.

Here's an overview of some of the information you can track on employee records:

- **Profile Information** — Tracks an employee's date of birth, employee status, Social Security Number (required for Form W-2), Cost Center, Worker's Compensation Information, 3rd Party ID, and Employment Dates. You can also attach documents to the Profile tab, such as the employee's Form W-4 and performance evaluation documents.
- **Addresses** — Tracks employee home and mailing addresses, which are extremely important at year-end when you need to mail Forms W-2. The mailing address in the employee's record prints on the Form W-2.
- **Phones/E-mail** — Tracks phone and e-mail information for employees. This is especially important in emergency situations. You can also click on the e-mail icon to send an e-mail to the selected address from this window.
- **Pay** — Tracks an employee's rate of pay, gross pay, whether an employee is hourly or salaried, and other information. Any time an employee's pay rate changes, you want to update the pay information in the employee's record. The changes to the rate of pay or gross pay affect the next payroll that you process. Any payroll information already posted is not affected by changes that you make in the employee's record. If you leave the pay type blank, you may receive program errors.
- **Taxes** — Tracks tax information such as withholdings, tax tables, exemptions, and W-2 elections. You can update an employee's tax information at any time. If you change the number of exemptions or extra withholding, make sure that you have a current Form W-4 or I-9 on file. If you change the tax tables, tax exemptions, or W-2 elections, you must also obtain the proper completed forms from the employee.
- **Adjustments** — Tracks adjustments such as health insurance premiums, 401K contributions, pension plans, and auto or housing allowances. Any time a change occurs in an individual's adjustment amount, you must update the adjustment information in the employee's record. The change takes place immediately and is reflected in the payroll that you process for the employee.
- **Personnel** — Tracks employee job descriptions, evaluations, spouse information, and filed forms. A quick glance at your notes concerning an employee's last evaluation can let you know if an employee is ready for that promotion or needs more time in the current position. Also, you need current information in the records if you want to use your reports in planning for additional personnel needs.
- **Events** — Tracks events (also known as comments) entered into ACS. Keeping your comments in an employee's record up-to-date is an important task, especially if the comments relate to the employee's evaluation details. Some predefined events are included, and you can define custom event types in Payroll - Define Lists. You can also select Key Comment for specific comments.

- **Time Off** — Tracks an employee's current time off totals, time taken, accrual rates, and hire date. This tab gives a complete view of vacation, sick, and other time off totals. To learn about updating employee time off, see Adding Vacation and Sick Time to Employee Records and Carrying Over Employee Vacation and Sick Time.
- **Contacts** — Tracks an employee's emergency contacts. You can display the primary contact information on the employee Profile tab. When you need to update address, phone, or e-mail information for an employee's emergency contact, click on the Contacts tab.
- **Direct Deposit** — Tracks bank and account information for employees using direct deposit. You can allocate percentages of pay to different accounts as well. To learn more about direct deposit, see Adding Employee Direct Deposit Information

Options when Adding and Editing Employee Records

Some fields on the Employee record tabs are self-explanatory, while others are more complex.

To make entering and editing employee records easier, the list below describes some of these fields.

Additional Field Information

The Profile Tab

3rd Party ID
If you are using a third-party time clock software, enter the employee's identification number.

Attachments
Click to add, open, or remove documents from the employee's record. You can add documents such as the employee's Form W-4 and performance evaluation documents.

The Pay Tab

Payroll Type
Displays the revenue type for the selected employee. The valid revenue types are **H** (Hourly), **S** (Salaried), **O** (Overtime), **T** (Vacation), and **L** (Sick).

The Taxes Tab

# of Exemptions (Fed)

Displays the number of federal exemptions for the employee. Enter the number of federal exemptions from the employee's Form W-4.

# of Exemptions (State)

Displays the number of state exemptions for the employee. Enter the number of state exemptions from the employee's Form W-4.

Extra Withholding (Fed)

Displays the extra federal withholding amount for the employee, if any. Enter any extra federal withholding amount from the employee's Form W-4. If the employee indicated that the extra federal withholding amount is a percentage of taxable gross pay, select **Percent**.

Extra Withholding (State)

Displays the extra state withholding amount for the employee, if any. Enter any extra state withholding amount from the employee's Form W-4. If the employee indicated that the extra state withholding amount is a percentage of taxable gross pay, select **Percent**.

Tax Tables

Enter the appropriate tax code, or click **Lookup** to select one in the table.

- **Federal** — Displays the federal tax code. Select 001 for married or 002 for single.
- **EIC** — Displays the earned income credit tax code. Select the correct code for which the employee qualifies.
- **State** — Displays the state tax code. Select the correct tax code for the state in which the employee resides.
- **Local 1, 2, and 3** — Displays the local tax code. Select the tax code for the locality in which the employee resides.

Tax Exemptions

If the employee is FICA, FUTA, or SUTA Exempt, select the appropriate option.

- **FICA** ---- FICA is the acronym for the Federal Insurance Contributions Act. This act mandates that an employer withhold a set percentage of an employee's salary each pay period. FICA also requires that the employer match the amount and contribute the money to a government account known as the Social Security Trust Fund. This fund provides retirement income, as well as disability insurance, Medicare, and benefits for survivors. If an employee is FICA exempt, be sure to mark this on his record as well as the pay type on his wages, otherwise negative FICA wages display.
- **FUTA** — The Federal Unemployment Tax Act (FUTA), authorizes the Internal Revenue Service to collect a federal employer tax used to fund state workforce agencies. An employer may have to pay FUTA for their employees unless the employer is FUTA exempt. Contact your tax advisor for further information on how this affects you as an employer.
- **SUTA** — The State Unemployment Tax is a tax that states require to fund unemployment benefits. An employer may have to pay SUTA for their employees unless the employer is SUTA exempt. Contact your tax advisor for further information on how this affects you as an employer.

W-2 Elections

If the employee is a statutory employee, participates in a designated retirement plan, or receives third-party sick pay, select the appropriate check box. A statutory employee is a worker who is treated as an employee for FICA (Social Security) and Medicare tax purposes, but as self-employed for income tax purposes.

The Adjustments Tab

Category

Displays the type of adjustment. The valid categories are ADD (Addition), DED (Deduction), CON (Contribution), GTL (Group Term Life Insurance).

Global and Individual Amounts

If the same amount or percentage of the adjustment applies to all employees, select **Global**. If the employee can select an individual amount or percentage, select **Individual**, then enter the amount or percentage selected by the employee.

Global and Individual Limits

If a maximum limit is set for all employees, select **Global**. If the employee set an individual maximum limit, select **Limit**, and enter the limit. Adjustments are designed to start over at the beginning of the new year, so a new YTD total is obtained each year. You can manually set a new adjustment amount for mid-year adjustments that carry over into a new year.

The Personnel Tab

New Hire Reported

Under federal and state law, employers must report newly hired or re-hired employees to ensure wage garnishment for child support on applicable employees. Select the checkbox once the information has been reported.

Form W-11 on file (HIRE Act)

Select if the employee's Form W-11 is complete.

Adding Employee Direct Deposit Information

To use the Direct Deposit feature, you must first obtain setup information from your bank and enter the information on the ACH Setup tab of the bank account from which the checks are issued. You can access the bank accounts through Define Lists in the General Ledger module.

After you set up direct deposit, request voided checks from participating employees and enter the appropriate account and routing numbers. You'll also need to obtain bank information from new employees.

> **Note**
>
> If you are registered with the Employee Self Service Site, you can select to print check stubs for all ACH employees in Payroll Setup. If this option is not selected, you can select to print stubs on individual employee records.

Direct Deposit is in NACHA format, which is a national association that develops electronic solutions for payment systems. When you process payroll, ACS generates an ACH (Automated Clearinghouse) file that your bank uses to electronically deposit payroll checks to the employee's bank accounts.

> **Note**
>
> If you enter direct deposit using an amount of net pay, amounts that exceed the employee's net pay will not be deposited.

When you process the ACH file, an asterisk displays beside these records with an explanation that the employee's direct deposit allocations exceeded their net pay.

On the bottom of all checks, the following three groups of numbers display in the order listed:

- **Bank Transit Number** — Eight or nine digit number that identifies the bank that holds the employee's account. If the bank transit number is eight digits only, ACS calculates the ninth digit.
- **Account Number** — Employee's bank account number.
- **Check Number** — Number of the current check. This number is not used in the direct deposit information.

If you need to disable the direct deposit option for an employee, clear **Use Direct Deposit** on the employee's record.

To enter employee direct deposit information using a percentage of net pay

1. Under Manage Records, click the **Records** tab.
2. In the drop-down list, select **Add/Edit Employees** and click **Go** .

3. Select the employee and click **Edit**.
4. On the **Direct Deposit tab**, select the **Uses Direct Deposit** and **Allocate using percent** options.
5. **Optional:** If you are registered for Employee Self Service, and the option to print stubs for ACH employees is not selected in Payroll setup, you can select **Print ACH Stub**.
6. Click **Add**.
7. In the drop-down list, select an **Account Type**.
8. Enter the employee's **Account Number** as it appears on the voided check.
9. In the **Bank's Transit Number** field, enter the transit number as it appears on the check.
10. Enter the **Percentage of Net Pay**. The amount entered is the percentage of net pay that is deposited into the selected account. If the percentages of net pay are entered for multiple accounts, the percentages must total 100%.
11. **Optional:** To add another direct deposit account for the same employee, select the **Add Another** check box.
12. Click **OK** twice.

To enter employee direct deposit information using an amount of net pay

1. Under Manage Records, click the **Records** tab.
2. In the drop-down list, select **Add/Edit Employees** and click **Go** .
3. Select the employee and click **Edit**.
4. On the **Direct Deposit** tab, select the **Uses Direct Deposit** option.
5. **Optional:** If you are registered for Employee Self Service, and the option to print stubs for ACH employees is not selected in Payroll setup, you can select **Print ACH Stub**.
6. Click **Add**.
7. Select an **Account Type**.
8. Enter the employee's **Account Number** as it appears on the voided check.
9. In the **Bank's Transit Number** field, enter the transit number as it appears on the check.
10. Enter the Amount of Net Pay. The amount entered is the specific amount of net pay that is deposited into the selected account.
11. If applicable, select **Allocate Remaining Balance** to this account? to deposit the employee's remaining net pay into the account you are adding. When entering direct deposit information based on the amount of net pay, at least one account must have this option selected. For example, suppose you allocate $400 of James Aaron's net pay to his checking account. Then, you allocate $100 of his net pay to his savings account and select this option. If James' net pay is $550, the remaining $50 will be deposited into his savings account.
12. **Optional:** To add another direct deposit account for the same employee, select the **Add Another** check box.
13. Click **OK** twice.

Updating Employee Wage Information

You can update wage information for both salaried and hourly employees.

To update wage information for an hourly employee

1. Under **Manage Records**, click the **Records** tab, then select **Add/Edit Employees** in the drop-down list, and click **Go** .
2. Select the employee and click **Edit**.
3. On the **Pay** tab, in the **Rate** field, enter the new dollar amount that the employee is paid per hour and press ENTER.
4. Continue pressing ENTER until the **Rate** field in the **Pay Type** window is highlighted.
5. Enter the new dollar amount that the employee is paid per hour and click **OK**.
6. If the employee is paid from more than one pay type or cost center, highlight the next pay line and repeat step #5.
7. Click **OK** again.
8. If you have saved time sheet batches, a message displays asking if you want to update saved payroll batch records. Click **Yes**.
9. Click in the **Rate** field and enter the new dollar amount that the employee is paid per hour.
10. Click **OK**.

> **Tip**
>
> For hourly employees, minute calculations are based on 100. For example, 7 hours and 15 minutes is 7.25.

To update wage information for a salary employee

1. Under **Manage Records**, click the **Records** tab, then select **Add/Edit Employees** in the drop-down list, and click **Go** .
2. Select the employee and click **Edit**.
3. On the **Pay** tab, in the **Annual** field, enter the total dollar amount of the employee's yearly salary and press ENTER.
4. Continue pressing ENTER until the **Gross** field in the Pay Type window is highlighted.
5. Enter the total gross pay per pay period, and click **OK**.
6. If the employee is paid from more than one pay type or cost center, highlight the next pay line and repeat step #5.
7. Click **OK** again.
8. If you have saved time sheet batches, a message displays asking if you want to update saved payroll batch records. Click **Yes**.
9. Click in the **Gross** field and enter the new dollar amount that the employee is paid per pay period.
10. Click **OK**.

Setting Up a Wage Garnishment

Setting up a wage garnishment involves:

1. Adding a liability account to hold the withheld money.
2. Adding an adjustment for the wage garnishment.
3. Applying the adjustment to the employee's record.

To add a liability account to hold the withheld money

1. Under Manage Records, click the **Chart of Accounts** tab.
2. In the drop-down list, select **Add Account** and click **Go** .
3. Enter an **Account Code** and Account **Name**.
4. Click **Lookup** to select the appropriate **Liabilities** account heading under which you want the account to display.

> **Note**
>
> Verify the heading you want to add to an account before clicking **Add Account**. After you post a transaction to the account, you cannot move that account to a heading associated with a different account type.

5. Select **Funds**, **Departments**, **Committees**, and **Areas** as necessary.
6. If necessary, click **Comment** to enter any comments about this account.
7. Click **OK**.

To add an adjustment for the wage garnishment

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Select **Adjustments**, then click **Add**.
4. Enter a three digit alpha-numeric **Code**.
5. Select **Deduction**.
6. Enter a **Description** that will print on the employees pay check.
7. Enter the Liability account as the **Credit Account**.
8. Select the appropriate **For Period**.
9. Select the appropriate **Tax Flags**.

10. Under Calculation Details select either **Amount** or **Percentage**.
    - **Amount** — Select either **Period** or **Hour** to calculate the amount. **Period** deducts the entered amount each pay period. **Hour** deducts that amount for each hour entered on the time sheet.
    - **Percentage** — Select either **Period** or **Hour** to calculate the amount. **Period** calculates the percentage based on the gross amount for the period. **Hour** calculates the percentage based on the number of hours entered. Example: If the individual worked 10 hours at $10/hour and the percentage is 10%: by hour=$1.00; by period=$10.00.
11. Under **Global Amount**, enter the amount to deduct (either period or per hour).
12. Enter a **Global Limit** if the garnishment is to stop after a specific dollar amount is met. This tells Payroll to stop deducting the amount once it has reached the Global Limit.

To apply the adjustment to the employee's record

1. Under Manage Records, click the **Records** tab.
2. In the drop-down list, select **Add/Edit Employees**, then click **Go** .
3. Edit the appropriate employee.
4. Select the **Adjustments** tab, then click **Add**.
5. Select the new adjustment added and click **OK**.

Editing Employee Records

It's important to keep accurate employee information, so when something changes, you'll need to update it on the employee's record. You can also edit a record to make an employee inactive or active.

When you update an employee's pay information and the employee is part of a payroll batch, a message displays asking if you want to update the payroll batch too.

To update an employee record

1. Under Manage Records, in the **Enter Name** field, enter the individual's last name.
2. Press ENTER.
3. If necessary, select the correct record in the Find Individual window, then click **Use Selected**. If multiple records exist for the individual, select the correct record type in the list, then click **OK**.
4. Click on the tab that contains the fields you want to change. To learn more about the fields on these tabs, see Options when Adding and Editing Employee Records.
5. When you finish editing the record, click **OK**.

Deactivating Employee Records

Instead of deleting an employee's record, you can deactivate the record.

By default, inactive employees do not display on reports unless you select the option that prints inactive records on Payroll reports.

To deactivate an employee record

1. Under Manage Records, in the **Enter Name** field, enter the individual's last name.
2. Press ENTER.
3. If necessary, select the correct record in the Find Individual window, then click **Use Selected**. If multiple records exist for the individual, select the correct record type in the list, then click **OK**.
4. Under **Name Information**, clear the **Active** check box.
5. Click **OK**.

Deleting Employee Records

If no payroll entries exist in the last 12 months for an employee, you can delete the employee and the detailed payroll information associated with the employee.

When an employee leaves, we recommend that you make and file copies of each related Form W-2, then deactivate the employee record rather than delete him or her. For information on deactivating an employee, see Deactivating An Employee Record.

You cannot delete employee records that have activity within the last 12 months.

To delete an employee's record

1. Under Manage Records, click on the **Records** tab.
2. In the drop-down list, select **Add/Edit Employees** and click **Go** .
3. Select the employee record you want to delete and click **Delete**.
4. When the confirmation message displays, click **Yes**.

Printing an Employee List

If you want a list of employees, you can print the Add/Edit Employees grid. For a list of each employee's information, print the Employee Master List in Payroll Reports.

To print an employee list

1. Under Manage Records, click the **Records** tab.
2. In the drop-down list, select **Add/Edit Employees**, then click **Go** .
3. **Optional:** To include the employees marked as not active in the list, select **Show Inactive**.
4. Click **Print**.
5. Click **Print** .

Importing Employee Records from People Organizations or HeadMaster

If you use ACS People, Organizations or HeadMaster, and an employee already has a record in one of those databases, you can import the record into Payroll. This saves time and reduces errors that could result from re-entering an employee's information.

You should periodically refresh employee records to update the employee's record with any changes made in ACS People Suite or HeadMaster.

To import individuals into Add/Edit Employees

1. Under Manage Records, click the **Records** tab.
2. In the drop-down list, select Add/Edit Employees, then click **Go** .
3. In the Add/Edit Employees window, click **Import**.
4. In the Import Individuals window, under **Import Individuals From:** select **People**, **Organizations**, or **HeadMaster**.
5. If you use multiple datasets, select the **Dataset** to import from in the drop-down list.
6. Click **OK**.
7. In the Add from People or Add from HeadMaster window, select the records you want to import, then click **OK**.
8. If a confirmation message displays, click **OK**. After adding, the records display in the Add/Edit Employees grid.

Linking Employee Records

Linking records lets you establish a link from the employee record to another record in People, Organizations, or HeadMaster. When you refresh records, ACS Payroll obtains any record changes from the other record.

To link employee records

1. Under Manage Records, click on the **Records** tab.
2. In the drop down list, select **Add/Edit Employees** and click **Go** .
3. Select the employee record you want to link and click **Edit**.
4. Under **Name information**, click **Link Record**.
5. When the confirmation message displays, click **Yes** to save any changes to the record.
6. In the Create Individual Link window, select to link to an individual in **People**, **Organizations**, or **HeadMaster**.
7. If you have multiple datasets, select the appropriate one in the **Dataset** drop down list.
8. Click **Ok**.
9. When the window displays, select the record you want to link, then click **Ok**.

Refreshing Employee Records

Refreshing employee records ensures that you have the most up-to-date employee data for imported records, so you should refresh your data frequently.

For example, suppose a volunteer updates an individual's record in ACS People. The volunteer updating the record may not know that the individual is also an employee and might not update the record in ACS Financials. By refreshing your data, you can update employee records with any changes made on the linked People, Organization, or HeadMaster records.

To refresh employee records

1. Under Manage Records, click the **Records** tab.
2. In the drop-down list, select **Add/Edit Employees**, then click **Go** .
3. In the Add/Edit Employees window, click **Refresh**.
4. Select to refresh **Employee Records added from People**, **Employee records added from Organizations**, **Employee Records added from HeadMaster**, or **All employee records**.
5. If you use multiple datasets, select the **People Dataset** or **HeadMaster Dataset** to refresh from in the drop-down list.
6. Under **Begin Refresh?**, click **OK**.

Upload Employee Records to ACS Employee Self Service

You can upload employee records to the ACS Employee Self Service site from the View/Edit Employees window when you have new employees or when you have updated employee information. This will upload the latest changes to pay history, time off, and contact information. You must have registered your site with ACS Employee Self Service and performed the initial upload in Payroll Setup in order to use this option.

To upload records to ACS Employee Self Service

1. Under Manage Records, click the **Records** tab.
2. In the drop-down list, select **Add/Edit Employees**, then click **Go** .
3. Click **Upload to Empl. Service**.
4. When the confirmation message displays, click **Yes**.

Exporting an Employee List to Microsoft Excel

You can export an employee list to Microsoft® Excel®.

To export an employee list to Microsoft Excel

1. Under Manage Records, click the **Records** tab.
2. In the drop-down list, select **Add/Edit Employees** and click **Go** .
3. When the Payroll-Add/Edit Employees window displays, right-click in the grid, and select **Export to Excel** . The Employee List Export window displays.
4. Enter a file name, and browse to the location where you want to save it.
5. Click **Save**.

Entering and Posting Payroll

When entering and posting payroll, you must perform each step in the correct order. Sometimes, you cannot access an option until you complete the previous option. For example, you must print the checks before you can preview or print the check register.

Here are the steps for entering and posting payroll:

1. Enter Time Sheets.
2. Print the Time Sheet Journal report.
3. Process and print the Payroll Journal report.
4. If necessary, preview or issue checks.
5. Print Payroll checks (and direct deposit stubs, if applicable).
6. If using the Direct Deposit feature, create an ACH File.
7. If necessary, Reprint or Void checks.
8. Print the Check Register Journal report.
9. Post Payroll to the general ledger.

Entering Payroll Time Sheets

The first step of entering and posting payroll is entering employee time sheets. You can do this by:

- Entering time sheets one employee at a time
- Recalling a previously saved and named batch
- Loading a group of employees based on specific criteria
- Importing time sheets that have been entered using a time clock software

Loading time sheets or recalling a batch gives you access to the records of a group of employees that you want to pay at a particular time. When you load time sheets, you identify filter criteria each time. When you load a batch, the filter settings have been previously saved. The advantage of saving a batch is that you do not have to identify the filter criteria each time.

> **Note**
>
> When you save a batch with a name that has already been used, a Yes/No prompt is issued asking whether you wish to overwrite the existing file rather than create a second batch with the same name.

Whether you choose to load time sheets or to create and load batches, the Payroll Module provides a large amount of flexibility with both of these features. For example, you have three groups of employees in your organization: salaried, full-time hourly, and part-time hourly. You want to pay only the full-time hourly and part-time hourly employees at this time. If you're using batches, you can recall your full-time hourly batch and your part-time hourly batch.

Loading one batch and then another does not overwrite the previously loaded batch. Likewise, if you prefer to load employees, you can load one group of employees and add another group. As long as you select **Keep Existing**, the first group of employees is not overwritten.

After entering time sheets, continue the payroll process by printing the Time Sheet Journal report, which helps you verify your time sheet entries.

Entering Time For One Employee

When entering and posting payroll, you can enter time sheets one employee at a time. If you use this method, you'll select each employee and make any adjustments to that employee's time. ACS displays the employee's information and calculates the Gross Pay.

> **Don't Forget**
>
> You can change employee information in the Enter Time Sheet window. However, the changes you enter affect the current pay check only, and any changes you enter are not updated on the employee's record.

If you are paying an employee overtime, vacation pay, or sick pay, you must create a separate time sheet entry. After adding the second pay line for the employee, click in the **RT** field, then click the down arrow and select **Overtime**, **Vacation Taken**, or **Sick Leave** in the drop-down list. Although two time sheet entries are processed for the employee, only one payroll check prints. In addition, the employee's check stub shows the distribution of regular and overtime, vacation, or sick pay.

To enter time sheets for each employee, one at a time

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks**, then click **Go** .
3. Click **Enter Time Sheets**.
4. In the **Select Bank** field, enter the correct bank account, or select a bank account in the drop-down list.
5. Click **Add**.
6. Enter an employee number, or click **Lookup** to select an employee in the Add/Edit Employees window.
7. If necessary, edit the pay information.
8. To add time sheets for additional employees, repeat steps 5-7.
9. To preview or print the time sheet journal, click **Print Time**.
10. Click **Close**.

Entering Time Sheet Batches

You can create a standard payroll batch that includes time sheet entries for each employee on your staff. You can save this batch and recall it each time you generate time sheets, reducing your entry time.

At times, you may find it necessary to perform a payroll check run that differs from the standard payroll. Rather than adding each employee separately, you can set up a custom batch that you can recall when necessary. For example, many employers pay holiday pay to full-time employees on recognized holidays, and you can define a payroll batch that contains time sheet entries for full-time employees only. You can save this batch and recall it just as you do standard batches.

To create and save a payroll batch

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks**, then click **Go** .
3. Click **Enter Time Sheets**.
4. In the **Select Bank** field, enter the correct bank account, or select a bank account in the drop-down list.
5. Click **Add**.
6. Enter an employee number, or click **Lookup** to select an employee in the Add/Edit Employees window.
7. If necessary, edit **Pay Types** and other information.
8. Repeat steps 6 and 7 to enter time sheets for all employees.
9. Click **Save**.
10. Enter a **Recurring Batch Description**, then click **OK**. For example, you could enter Standard Batch for a standard payroll batch that you process every other week. If the batch is a custom batch for holiday pay or another occasion, enter an appropriate description.

To recall a saved payroll batch

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks**, then click **Go** .
3. Click **Enter Time Sheets**, then click **Recall**.
4. Select the batch you want to recall and click **OK**.
5. If you have entered time sheets, a confirmation message displays. Click **Yes** to overwrite existing entries, or click **No** to add the batch to existing entries.
6. **Optional:** Click Add to add additional time sheet entries. You can also edit time information if necessary.

After adding a new employee into the program, you may notice that they have not been included in a saved batch. You can add a new employee to a current batch.

To add a new employee to a saved batch

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Enter Time Sheets**.

4. Click **Recall** and select the appropriate batch to save the new employee to.
5. Click **Add** and enter the new employee in the blank Pay Line.
6. Click **Save**.
7. Enter the name of the recalled batch in the **Recurring Batch Description**.
8. Click **OK**. The message "A batch already exists with that name. Select Yes to overwrite. Select No to enter a new batch name." displays.
9. Click **Yes**. The new employee is now added to the batch and displays each time the batch is recalled.

Importing Time into ACS Payroll

In ACS Payroll, you can import time tracked using a time clock software, such as TimeClock Plus.

You can import time sheets, then process them to calculate taxes. If ACS' tax calculations are different, you can edit the checks to change the taxes and assign the correct check number. ACS does not offer support for TimeClock Plus.

We recommend using the Import Time feature to import your hourly employees. If you import salaried employees and their cost center is missing from the import file, you must manually enter the cost center for all salaried employees into the import file. You can enter salaried employees on the Enter Time Sheets window by using the Load All option. If you are a HeadMaster client, you may also choose to import time from the HeadMaster Check in/out program.

The recommended file type for the import is ASCII. The recommended file format is a comma separated value (CSV) file. When creating a CSV file, the fields should appear exactly as they are in the table below. If additional fields are added or if field information is missing, the file is not accepted when you try to import. If the first record of the import file is a header record, you can select to omit the first record before you begin an import.

> **Overtime and HeadMaster**
>
> Overtime does not import from HeadMaster. For example, if an employee has 50 hours (40 regular and 10 overtime hours) during a full week pay run, ACS imports 50 hours, but you should enter the hours as overtime in Enter Time Sheets.

To import time

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks**, then click **Go** .
3. Click **Enter Time Sheets**.
4. If necessary, select a bank.
5. Click **Import Time**.
6. In the **Import Type** drop-down list, select to import time from **TimeClock** or **Headmaster**.
7. To omit the header record, select **Omit first record?**.
8. Click **Import**.
9. Locate the file and click **Open**.
10. If you receive error messages and want to print a listing of errors, click **Print Errors**.

If a record does not import properly, you can print an Import Error List that lists the transactions that ACS was unable to import. You must correct these records to complete a successful import. The following tables list the specifications for an import file:

Field	Length

Employee Number	10 characters (can be a combination of alpha and numeric characters)
Pay Type	3 characters (can be a combination of alpha and numeric characters)
Hours	8 digits (with 4 decimal places)
Rate	11 digits (with 4 decimal places)
Cost center	6 characters (can be a combination of alpha and numeric characters)
Revenue type	1 character (can be any of the following characters: H-Hourly, O-Overtime, T-Vacation Taken, L-Sick Leave, or S-Salary)

The following fields are included in the CSV file for HeadMaster imports:

Field	Length
Identification Number	10 characters (can be a combination of alpha and numeric characters)
Hours	8 digits (with 4 decimal places)

Loading Employee Time Sheets

In addition to adding time sheet entries one employee at a time, you can enter time sheets by loading employees based on selected criteria. You can load employees by employee type, pay period, or department.

You can select to use as many of the groups as you want to create your time sheets. For example, to create time sheets for your hourly nursery workers who are paid on a weekly basis, select:

- By Employee Type and Hourly
- By Pay Period and Weekly
- By Department and Nursery Workers

You can also sort the employees by last name or employee number and include employees who are no longer active, if necessary.

To load employee time sheets

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Enter Time Sheets**, then click **Load All**.
4. To load time sheets for applicable employees, select the appropriate options:
    - To load time sheets for **Salaried**, **Hourly**, or **All** (salaried and hourly) employees, select **By Employee Type**
    - To load time sheets according to how often employees are paid, select **By Pay Period**. The number of pay **Periods** displays, and you can change this if you need to.
    - To load time sheets for specific departments in your organization, select **By Department**. Be sure to select the appropriate department in the drop-down list.
5. Under **Order By**, select Last Name or Employee # to display employees in order of last name or employee number.
6. To keep any pre-existing time sheet entries in the Enter Time Sheet window, select **Keep Existing**. Or, select **Overwrite** to overwrite them.
7. To include non-active employees when loading time sheets, select **Ignore Inactive**. By default, ACS ignores all employees who are not active when loading time sheets.
8. Click **OK**. Your time sheets display in the Enter Time Sheets window, where you can edit them as necessary or print the Time Sheet Journal report.

Editing and Deleting Time Sheet Entries

You can change time sheet entries, however you interrupt the Enter/Post Payroll process. This means the Time Sheet Journal and Payroll Journal are no longer valid. You must reset payroll and reprint the reports.

> **Note**
>
> If a salaried or hourly employee works overtime hours, you must add a separate time sheet entry for the overtime hours. The employee still receives one payroll check. The distribution of Overtime and Regular hours and pay displays on the employee's check stub.

To change time sheet entries

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks**, then click **Go** .
3. Click **Enter Time Sheets**.
4. Edit the time sheet fields. For example, if an employee's default wage entry changes and the employee works 30 hours instead of 35, type 30 in the **Hours** column for that employee. ACS calculates the new gross amount.
5. **Optional:** Click **Add** to add a new Time Sheet entry.

To delete time sheet entries

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Enter Time Sheets**.
4. Select one of the following options:
   - To delete all displaying entries, click **Clear All**.
   - To delete a single entry, select the entry and click **Delete**.
5. Click **Yes**.

Printing the Time Sheet Journal Report

The Time Sheet Journal report displays a detailed account of each unposted time sheet that you entered. Use the journal to verify your time sheet entries. Your financial advisor or CPA may recommend that you print and file the time sheet journal as an audit trail.

Employee records display on the journal in the order based on the **Order By** selection in the Enter Time Sheets window. You can select a different order using the **Load All** option in the Enter Time Sheets window.

To print the Time Sheet Journal report

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Enter Time Sheets**.
4. Enter employees in the time sheet. For more information on entering employees in the time sheet, see Entering Payroll Time Sheets.
5. When all employees are entered, click **Print Time**.
6. Click **Preview** or **Print**.

After printing this report and verifying the entries, you can process and print the Payroll Journal.

Processing and Printing the Payroll Journal

After you enter time sheets and print the time sheet journal report, it's time to process and print the payroll journal. We strongly recommend that you print and file this report for audit purposes.

The Payroll Journal calculates all taxes, adjustments, and wages from the information entered in the time sheets. It also changes the start and end dates.

> **Note**
>
> If you receive a warning that negative checks were created when processing the Payroll Journal, this means at least one employee has tax withholdings or adjustments that cause the check's net pay to be less than zero.
>
> To fix this, print the payroll journal to look for the negative check. Then, reset payroll and correct the negative amount by removing or decreasing the extra withholdings or increasing the pay amount. ACS will not print or post negative checks.

To process and print the Payroll Journal report

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Process Payroll Journal**.
4. Select the **Pay Period** with the adjustments that you want to process for the employees' checks. If you do not select the correct dates, not all adjustments will display.
5. Select the **Period Start** and **Period End** dates.
6. In the **Check Date** field, enter the date you want to print on the checks.
7. Select the appropriate option to print the journal in summary or in detail.
   - The summary includes the total number of ACH checks, gross wages, additions, taxes deducted, other deductions, employer and employee federal tax liability information, and any other employer contributions.
   - The detail includes the summary report's information as well as each individual employee's wage totals, taxes and deductions, accumulated time, and net and gross pay.
8. Click **OK**.
9. To remove the Social Security Number from the report, clear the **Print Social Security Number** checkbox.
10. To print the report, click **Print**. To preview before printing, click **Preview**.

After processing the payroll journal, continue the payroll process by previewing your payroll checks.

Previewing Payroll Checks

Previewing payroll checks displays all checks that are not posted. If you've processed the Payroll Journal, you can also edit unposted checks.

To preview payroll checks

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Preview/Issue Checks**.
4. Click **Preview Current Checks**.
5. **Optional:** Select **Printed?** to mark this check as a printed check. When you select this, the check does not print, but it does post to the general ledger. Make certain to enter the correct check number of the printed check in the **Check No.** field.
6. To view each of the available checks, click **Back** and **Forward** .
7. Click on the **Details** tab to view all the taxes, adjustments, and wage distributions for the selected payroll check.
8. **Optional:** To modify fields on the selected payroll check, click **Edit**. If **Printed?** is selected, you must clear it to edit a check.

Once you preview the payroll checks and make any necessary edits, you can issue and print them.

Editing Payroll Checks

After you process the payroll journal and create checks, you can edit any information on the unposted checks using the **Preview Current Checks** option. When previewing a check, click **Edit** to access the Edit Checks option.

After editing checks, you can print the Payroll Journal again so that the report totals reflect the changes you made.

Notes on Editing Payroll Checks

- If you reset Payroll, all changes made to checks in the current check run are overwritten.
- If you need to change the transaction date or month on a posted payroll check, you can edit these fields in General Ledger. To learn more, see Editing General Ledger Transactions.

To edit payroll checks

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Preview/Issue Checks**, then click **Preview Current Checks**.
4. Select the employee whose check you want to edit. In the list below the check window, select the employee and double-click. Or, use the **Back** and **Forward** arrows to scroll through the current checks and locate the employee's check.
5. **Optional:** To enter a check number, select the **PRINTED?** checkbox.
6. To edit the check information, clear the **PRINTED?** checkbox.
7. In the Edit Check window, edit the necessary information and click **OK**. The Additional Field Information below displays explanations for some fields in the Edit Check window.
8. **Optional:** When finished, select **PRINTED?** to indicate that the check printed.

Once you've edited the checks, you can print them.

Additional Field Information

Taxes
To display the employee's tax table information, including total number of dependents, select this option.

Do not accrue
When issuing checks, select the check box if you do not want the employee's accrued vacation or sick balance to increase. This option applies to checks that are issued through the Issue Check process only.

Calculate Worker's Compensation
When issuing checks, select the check box if you do not want the employee's accrued vacation or sick balance to increase. This option applies to checks that are issued through the Issue Check process only.

Auto Calculate
To automatically calculate taxes on this check, select the check box. Click **Recalculate** to recalculate taxes after editing the check.

Issuing Payroll Checks

You can issue checks if you wrote a check by hand to an employee and want to enter the check into the Payroll module, or if you begin using the ACS Payroll module after the first of the year and want to enter detailed check information for each pay period.

When you issue payroll checks, keep these important facts in mind:

- If you have already entered time sheets and processed the Payroll Journal from one bank account, any checks you issue must be issued from that same bank account. You cannot cross banks when processing a batch of time sheets. If you need to pay employees from more than one bank, you must complete the payroll process for one bank and then begin the process again for another bank.
- The selected pay period determines which adjustments default for this payroll check. However, you can add, edit, or delete adjustments on this check.
- After issuing checks, you can process the Payroll Journal.
- You must post all checks that you issue whether you print the checks or not. Without posting the checks, the employees' W-2 and the 941 are not updated.

To issue checks

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Preview/Issue Checks**, then click **Issue Checks**.
4. In the **Bank** field, select the bank account from which you want to issue checks.
5. In the **Empl No. (Employee Number)** field, enter the employee number, or click **Lookup** to select an employee. If the employee number displays in red, the selected employee has a check in the current check run.
6. To issue a check for an employee who is normally paid by direct deposit, select **Print One Time Check**. This is useful for holiday or other bonuses.
7. In the **Pay Period** field, select the pay period for the current check.
8. In the **Chk. No. (Check Number)** field, complete one of the following options:
   - To print a check for this entry, do not enter a check number.
   - To post this entry to the general ledger without printing a check, enter a check number.
9. In the **Check Date** field, enter the date that you want to print on the check. If the check is already printed, enter the date printed on the check.
10. In the **Prd Start** (Period Start) and **Prd End** (Period End) fields, enter the pay period starting and ending dates.
11. If you do not want vacation and sick time to accrue with this pay period, select **Do Not Accrue**.
12. Under **Wages** and **Adjustments**, the selected employee's default wages and adjustments display. You can add, edit, or delete these amounts as necessary.

13. Under **Taxes**, edit taxes if necessary. If the selected employee is exempt from a specific tax or no tax table is defined on the employee record, some tax fields may be unavailable. Edit tax amounts only after you define all wage and adjustment amounts. If you edit tax amounts first then add or edit wage or adjustment amounts, the tax amounts revert to the original values.
14. To determine the amount of workers' compensation tax on the selected employee's earnings, select **Calculate Worker's Compensation**.
15. Select the appropriate Tax Calculation method:
    - To calculate taxes as normal on the current check, select **Auto Calculate**.
    - To recalculate taxes on the current check after making changes, clear **Auto Calculate**, then click **Recalculate**.
16. Click **OK** to save the current check. If no check number is entered, a warning displays. Click **Yes** to continue.
17. Select another employee to issue a check, or click **Cancel**.
18. To post the issued checks to the general ledger without printing a check, select the **Printed?** option, then enter the appropriate check number. Repeat this step for each issued check that you want to mark as printed.

You can also issue multiple payroll checks to an employee.

All time sheet entries for an employee print on the same check. If you want to issue more than one pay check for an employee in the same check run, you must add the additional check entries through the Issue Checks option. Each additional check entry added through the Issue Checks option prints a separate check.

To issue multiple checks to an employee

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Preview/Issue Checks**, then click **Issue Checks**.
4. In the **Empl No. (Employee Number)** field, enter the employee's number. Click **Lookup** to select an employee in the Add/Edit Employees window. If there is already a check waiting to print for the employee in ACS, the employee number displays in red.
5. If necessary, edit wage, adjustment, and tax information.
6. Click **OK**, then click **Yes** to continue.

You can also issue a check for only the amount of an employee's adjustments.

To enter a check only for adjustments

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Preview/Issue Checks**, then click **Issue Checks**.
4. Select an employee's record.
5. Under **Wages**, delete the pay information, and if necessary, delete the Federal, FICA, State, and Medicare information.
6. Click **OK**.

Printing Payroll Checks

After processing the Payroll Journal and previewing and issuing checks (if applicable), it's time to print the payroll checks and direct deposit stubs (if applicable).

You also have the option of printing a one-time check for your ACH employees who normally receive payment through direct deposit, which is useful for holiday or other bonuses. You can also select to mask the Social Security Number.

If you print checks and direct deposit stubs in the same check run, checks print before direct deposit stubs. ACS prompts you to place checks in the printer first. Once all checks print, a second prompt instructs you to place stock paper in the printer to print the direct deposit check stubs.

To print payroll checks

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Print Payroll Checks**.
4. Enter the **First Check Number** that you want to print. If you have printed checks for the selected bank account previously, the next number in the sequence displays.
5. If you use direct deposit, enter the **First Direct Deposit Reference Number** that you want to print. If you have generated direct deposit stubs previously, the next number in the sequence displays.

> **Tip**
>
> When entering a beginning direct deposit reference number, always leave a wide variance between reference numbers and check numbers so that you will be able to readily distinguish between the two when they are grouped on reports. For example, if the next check number in the sequence is 1250, let 1 be your beginning direct deposit reference number.

6. To display the printer status box, select **Show Printer Dialog**.
7. To print a one-time check for employees who are normally paid by direct deposit, select **Print one time check for ACH Employees**.
8. To print only the last four digits of the Social Security Number, select **Mask Social Security Number**.
9. To group checks by department, select **Group by Department**, then click **Select Departments** to choose the departments.
10. Select **Sort by Name** to sort the checks by the employee's last name, or select **Sort by Employee Number** to sort the checks by the employee's numerical code.
11. **Optional:** To view checks before printing, click **Preview**. If direct deposit participants are included in the current payroll batch, direct deposit and non-direct deposit information display separately. To print a sample check, click **Sample**.
12. Click **Print**. Checks print first, then direct deposit check stubs.

Creating an ACH File for Payroll Checks

After printing payroll checks and direct deposit stubs, create an ACH file for your direct deposit employees.

The ACH (Automated Clearinghouse) Transmission File is the file your bank uses to electronically deposit payroll checks in the appropriate bank accounts of the various banks used by your employees. Create the ACH file ***after*** generating payroll checks and direct deposit stubs.

If you have set up an account with Vanco Services, you can upload your ACH files to them for processing. When you create an ACH file to upload to Vanco, do not select the Balanced File option, and rename the file in this format: **clientid.dd**. For example, if your client ID is ES12345, the file name would be ES12345.dd.

Tips for Getting Started

Before sending your first ACH file, your bank may require you to send a prenotification file to verify that payroll data is being transmitted correctly. Check with your banking institution for specific transmission requirements.

The ACH file only includes information for employees participating in direct deposit. If additional employees display, right-click within the grid, then select **ACH Entries**.

To create an ACH file

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Create ACH File**.
4. Under **Options**, select the **Effective Entry** date.
5. Select the type of file you want to create:
   - **Effective Entry** — Displays the check date. Click the down arrow to select a date in the calendar.
   - **Balanced File** — Select to create a balanced ACH file. A balanced file shows the individual credit amounts going into employee's accounts as well as the total debit amount coming out of your organization's account.
   - **Prenotification File** — Select to create a prenotification file. The prenotification file has the appropriate bank codes and account information with zero amounts. This file is used to verify direct deposit information and to make sure that electronic transmission of data is occurring properly.
6. Click **Process**.
7. Optional: Click **Print** to print an ACH Proof List.
8. **Optional:** Click **Edit** to edit an amount.
9. **Optional:** Click **Delete** to delete an ACH entry.
10. To create the ACH file, click **Create File**.
11. Enter the location to save the file, a file name, and click **Save** to save the file.
12. Click **OK** to complete the process.

Reprinting Payroll Checks

In Enter/Post Payroll, you can reprint payroll checks in your current check run. For example, you could use this to reprint a check that was damaged in your printer during a check run, or if an employee loses a printed check (be sure to void the transaction). You can also reprint posted checks.

In addition, you can print a one-time check for ACH employees. You can also print an exact copy of a check (or duplicate check) without changing the check number, which is helpful if an employee needs to take a check copy to the bank to apply for a loan.

To reprint unposted payroll checks

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Reprint/Void Checks**, then click **Reprint Payroll Checks**.
4. Select which checks to display:
   - **Printed** — Click to display all printed checks.
   - **Unprinted** — Click to display all unprinted checks.
   - **All** — Click to display both printed and unprinted checks.
5. Select one or more checks for reprinting:
   - To select all checks, click **Select All**.
   - To select individual checks, select the **Print?** checkbox.
6. Click **Ok**, then **Yes**.
7. When the Print Payroll Checks window displays, select the appropriate options.
   - To display the printer status box, select **Show Printer Dialog**.
   - To print a one-time check for employees who are normally paid by direct deposit, select **Print one time check for ACH Employees**.
   - To reprint an exact copy of a payroll check without changing the check number, select **Keep Original Check Number**.
8. **Optional:** To preview checks before printing, click **Preview**. You can also click **Sample** to print a sample check.
9. To reprint the checks, click **Print**.

To reprint posted payroll checks

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Reprint/Void Checks**, then click **Reprint Posted Checks**.
4. In the drop-down list, select a **Bank**.
5. Select one of the following:
   - Click **MTD** to display all month-to-date checks.
   - Click **YTD** to display all year-to-date checks.
   - Click **All** to display all checks.

6. Select one or more checks for reprinting:
    - To select all checks in the check display, click **Select All**.
    - To select individual checks, select the **Print?** checkbox.
7. To reprint the selected checks, click **Print**, then click **Yes**.
8. When the Print Payroll Checks window displays, select the appropriate options.
    - To display the printer status box, select **Show Printer Dialog**.
    - To print a one-time check for employees who are normally paid by direct deposit, select **Print one time check for ACH Employees**.
    - To reprint an exact copy of a payroll check without changing the check number, select **Keep Original Check Number**.
9. **Optional:** To preview checks before printing, click **Preview**. You can also click **Sample** to print a sample check.
10. To reprint the checks, click **Print**.

Voiding Payroll Checks

You can void checks that have been entered and posted in Payroll, while also posting a void transaction to General Ledger and Payroll.

After voiding checks, we recommend printing the Voided Check Report for your records. When printed from the Enter/Post Payroll window, the report displays the contributor's name, check number, bank, check date, void date, check amount, and grand total for each voided check during the current posting period. To select another posting period, filter by Check Date or Bank, or include inactive employees, you can customize and print the Void Check Report in Payroll Reports.

If you need to edit a check's transaction date or post month after posting, you can edit these fields in General Ledger to avoid voiding and reprinting the check.

To void payroll checks and post a void transaction to General Ledger and Payroll

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Reprint/Void Checks**, then click **Void Posted Checks**.
4. In the drop-down list, select the **Bank** the check was issued from. The selected bank's **Account Number** displays. If you don't see the check you want to void, you may need to select the correct bank account.
5. Select the appropriate option to display month-to-date (**MTD**), year-to-date (**YTD**), or **All** checks. To display previously voided checks, select **Show Voided**.
6. Select the **Void** checkbox beside each check you want to void. To void all checks, click **Select All**, or click **Unselect All** to clear selected checks.
7. Click **Void**.
8. When the confirmation message displays, click **Yes** to continue.

> **Note**
>
> If any of the selected checks are reconciled in General Ledger, a message displays, "Check No: xxx Empl: xxxxx Check Amt: xxx.xx has been reconciled. Are you sure you want to void this check?" Click **Yes** to continue, or **No** to cancel.

9. When the Payroll - Void Posted Payroll Checks window displays, select the correct **General Ledger Post Month/Year**.
10. Enter the correct **Payroll Void Date**. This defaults to the current date, but you can change it. Payroll Reports reflect the void as of this date.
11. In the drop-down lists, select the appropriate **Check Transaction Source** and **ACH Transaction Source** .
12. **Optional:** Enter an explanation in the **Void Explanation** field.
13. To void the selected checks and post the void transaction to General Ledger and Payroll, click **Post Void**.

To print the Void Check Report in Enter/Post Payroll

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Reprint/Void Checks**, then click **Print Voided Checks Report**.
4. When the report displays, click **Print** .

Printing the Check Register Journal

After printing your payroll checks and creating an ACH file (if applicable), it's time to print the Check Register Journal. This report lists each check's number, date, amount, and the employee's name and number. In addition, the total amount for all checks and the total amount for non-ACH checks display.

You can choose to list the checks on the report in the order you want, and you don't have to list the checks in the same order that they printed. You can also print a separate check register journal for your checks and a separate journal for your direct deposit employees.

To print the Check Register Journal

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Check Register Journal**.
4. Under **Sort By**, select to sort checks by **Employee Name**, **Employee Number**, or **Check Number**.
5. Under **Print Options**, select to **Print All Checks Print ACH Checks** or **Print Non-ACH Checks** information on the report.
6. **Optional:** Click **Preview** to preview the report.
7. Click **Print**.

Posting Payroll Checks

After printing the Check Register Journal, it's time to post the payroll checks to the General Ledger.

When posting checks, you can print the Payroll G/L Transaction List for your records. This report displays the account numbers associated with an employee's check, check number, check date, employee name, account description, debits, credits, and account totals. You can print the report by account number or check number order.

Posting checks to inactive accounts changes the status on those accounts to active in the General Ledger.

To post payroll checks

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Post Payroll Checks**.
4. In the drop-down lists, select the **Check Transaction Source** and **ACH Transaction Source**. If you selected **Post Summary** in Payroll Setup, only sources with a source type of **Check** or **Credit** are available. If you selected the **Post Detail** option in Payroll Setup, only sources with a source type of **Check** are available.
5. In the **Post Month/Year** date boxes, select the correct posting period.
6. Enter an **Explanation** describing the transactions.
7. In the drop-down list, select a **Posting Date**.
8. To print the Payroll G/L Transaction List, click **Print**.
9. Click **OK**. A confirmation message displays to let you know that posting is complete.

Resetting Payroll

Resetting payroll clears the current payroll process. If you select this option, you must then follow the steps outlined in the Enter/Post Payroll Outline. All existing time sheet entries remain in the system, but you must reprint reports in the correct order. Also, if someone else entered payroll checks before you, you may need to reset payroll.

Resetting payroll overwrites:

- Any changes made to Payroll checks using the Preview/Issue Checks options.
- Any checks issued from the Issue Checks option.

To reset payroll

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks**, then click **Go** .
3. Click **Reset Payroll**.
4. If there are checks in the system, a confirmation message displays. Click **Yes**.

Closing the Month in Payroll

After you post your last payroll for the month, you can close the month. Payroll checks post to the month dated on the check, rather than the month closed.

Before closing the month in Payroll, ACS Technologies recommends that you print the following reports. These reports provide an audit trail for entries made to employees' pay records.

- Void Check Report
- W-2 Adjustments Report

At Year-End

In the ACS Payroll module, closing the month of December closes the current year. Make sure all pay information for the current year is posted before closing the month of December.

You can still access and manipulate all Payroll data even after closing the last month of the year. For example, if you close December, the posting month changes to January of the next year; however, you can still print the previous year's W-2 forms and 941s by selecting the desired year on the W-2 and 941 tabs.

If you need to print January checks before closing December, simply process checks as usual, making sure check dates are correct. When you are ready to post the checks, set the posting month to January.

To close the month

1. Under **Manage Records**, click the **Transactions** tab.
2. Select **Payroll Checks** in the drop-down list and click **Go** .
3. Click **Close Current Month**.
4. Click **Yes**.

Closing Payroll Batches

If you use batches to post transactions in the General Ledger module, you must close the current batch in Payroll. This is important for record keeping and provides an accurate audit trail.

To close the current Payroll batch

1. Under **Manage Records**, click the **Transactions** tab.
2. Select **General Ledger Transactions** in the drop-down list and click **Go** .
3. Click **Posting Journal**.
4. In the **Module** drop-down list, select **Payroll**.
5. Click **Close Batch**.

Upload to ACS Employee Self Service

You can upload records to ACS Employee Self Service from the Enter/Post Payroll window when you have new employees or when you have updated employee information. This will upload the latest changes to pay history, time off, and contact information. You must have registered your site with ACS Employee Self Service and performed the initial upload in Payroll Setup in order to use this option.

To upload records to ACS Employee Self Service

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks**, then click **Go** .
3. Click **Upload to Empl. Service**.
4. When the confirmation message displays, click **Yes**.

Payroll Inquiry

Using Payroll Inquiry, you can view an employee's check information for year-to-date, lifetime-to-date, or specific date ranges. You can also verify that checks have been posted for an employee. Information displays in the Inquiry window after payroll is posted, but you cannot edit this information in the Inquiry window.

You can also print the Payroll Inquiry Report, which displays a specified employee's payroll information. On this report, you can display year-to-date (YTD) or lifetime-to-date (LTD) earnings, or you can indicate a range of dates.

To view and print employee payroll information

1. Under **Inquiry Type**, select **Employee Inquiry** in the drop-down list, then click **Go** .
2. Select the employee whose information you want to view. To do this, enter the name of the employee and press Enter, right-click to select **Lookup by Code** and enter an employee code, or click **Lookup** to select an employee in the Employee Lookup window.
3. Select one of the following options:
   - Select **YTD** to view year-to-date checks issued to the selected employee.
   - Select **LTD** to view lifetime-to-date checks issued to the selected employee. This displays employee information since the employee was entered into the ACS Payroll module.
   - Select **Date Range** to view checks issued to the selected employee during a specified date range. Enter the correct date range. Click the down arrow to select a date in the calendar.
4. **Optional:** Select **Show Voided Checks** to display voided checks for the specified period.
5. Select a check to view general **Check Totals**.
6. For detailed information on the selected check, click the following tabs:
   - **Pay Type** — Displays hours for each pay type and the amount distributed for each pay type.
   - **Withholdings** — Displays all taxes withheld from the selected check and year-to-date amounts withheld for the selected employee.
   - **Adjustments** — Displays all adjustments (including employer contributions) for the selected check and year-to-date amounts recorded for the selected employee.
7. **Optional:** Click **Print** to print a Payroll Inquiry report on the selected employee based on the current inquiry settings.

Tip

In Payroll Inquiry, when ADJUST is listed as the check number, it means that someone made a W-2 adjustment for the selected employee. To view the details of this adjustment, print the W-2 Adjustments Report for the employee.

Payroll Reports

With the Reports option, you can print reports that detail various aspects of the Payroll module.

Payroll contains the following reports:

Report	Description
Time Clock Export	Creates an extract of three tables containing cost center, employee contact, and pay rate information to import into your third-party time tracking software for quick setup and keeping data in sync.
Customized Payroll List Report	You can customize this report to meet your organization's needs. Select the columns that you want to print on the report and save the report with the name you want to call it. You can customize and save as many Payroll reports as you want.
Employee Contact Master List	Lists all employees with contact information on record and the primary contact information.
Employee Events List	Lists employees events from the Events tab in Add/Edit Employees. The report displays the employee's name and employee number, along with each event's date, event type, and description.
Employee List	Lists all employees, including the employee number, name, address, federal and state tax information, personal data, and any comments on record for the employee.
Employee Master List	Lists all employee information.
Employee Phone List	Lists all employees with the employee phone number and e-mail address information on record. If the information is not on record, employee name still prints on the report.
Employee Transmittal Report	Lists all employees and their assigned cost centers. Use this report to manually record hours for each employee for the pay period and enter Time Sheets.
Employee Labels	Lists all employees in label format for printing or exporting. Three columns of labels print per page, or you can define other label formats if exporting.

Report	Description
Accumulation Report	Lists all wage information for each employee in the selected period including regular and overtime hours and pay, tax withholdings, adjustments, net pay, and vacation and sick time taken with the remaining balances. To include all employees with accumulation during the past year, select **Include Inactive Employees** when customizing the report, just in case some of the past year's employees are now inactive. You can also print the report with the employee numbers in numeric order using the **Sort by** option.
Check Register Report	Lists paychecks issued through ACS to each employee in the selected period. This report includes the employee name and number, check number, check date, amount of payroll hours, employee's gross pay, total additions to employee's pay, total deductions from employee's pay, total contributions to employee's pay, total taxes deducted from employee's pay, employee's net pay, and total dollar amount for each pay column in the report.
Liability Report	Lists tax withholdings, deductions, and contributions for each employee in the selected period. The employer's contribution amounts for social security and Medicare are included in the report also. You can select a report type of All, Taxes, or Other Adjustments and a report style of Detail, Summary, or Totals.
PR Hourly Report	Creates a report of hours worked in detail or summary format for the date range selected.
PR Transaction Changes Log	Creates a detailed log of changes made to posted checks for the selected date range. The report displays the date changed, employee, check date, check number, and the field that changed, along with the old and new values as well as the user who made the change.
Time Off Report- Detail	Lists detailed time off information, including the date, rate, and hours taken, for the selected date range.
Time Off Report- Summary	Lists current time off totals, including Carry Over, Accrued, Taken, and Remaining time off.
Void Check Report	Lists payroll checks voided in the ACS Payroll module for each employee in the selected period. The report includes the employee name and number, check number, bank account name and code, check date, void date, check amount, and total of voided checks listed in the report.
W-2 Adjustments Report	Lists adjustments made to the Form W-2 for each employee in the selected period. The report includes the employee name and number, transaction reference number, name of field changed, basis amount of the field, amount entered, effective date of the change, user who entered the change, and date of the change.

Report	Description
Wage Records Report	Lists wage information for each employee in the selected period, grouped by cost center. For example, you can use this report to see the amount of money paid from one cost center to an employee who is paid from two cost centers. This report includes totals by cost center, as well as the employee name and number, social security number (if user has rights to view SSN), department, regular hours and pay, overtime hours and pay, vacation pay, sick pay, vacation hours taken and remaining, sick hours taken and remaining, federal, FICA, Medicare, state, local, and EIC (Earned Income Credit) tax amounts, total additions amount, total deductions amount, total contributions amount, and net pay. If you do not see all transactions, such as voided checks, you may need to change the report's date range.
Workers' Compensation Report	Lists each workers' compensation code and the employees who are assigned to each code. For the selected period, the report lists for each employee the gross pay, overtime pay, and total workers' compensation tax for the month-to-date, quarter-to-date, and year-to-date time periods. You can also select the workers' compensation state for the report.

Creating the Time Clock Export Extract

You can export time clock information from ACS Payroll to your third-party software. The Time Clock Export report creates delimited ASCII text files for importing into TimeClock Plus or other third-party time clock software. You can include inactive employees and salaried employees.

When you export time clock information, ACS Payroll creates employee records, cost center records, and employee pay records in the following three files:

- Employee.txt — Includes the employee number, export code, first and last names, address line 1, city, state, and ZIP Code, social security number, phone, birth date, and date hired and date left.
- Costcode.txt — Includes the cost center number, export code, and cost center description.
- Payrecord.txt — Includes the export code, cost center number, and rate.

ACS stores these codes the same way that the third-party software stores them. For example, if employee 000001 in ACS Payroll is employee 19 in Time Clock Plus, then the export code is also 19. You can add export codes in the Add/Edit Employees window and the Add/Edit Cost Center window. Export code information also displays on the Employee Detail Report, the Cost Center List Report, and the Customized Payroll List Report.

Time Clock Export Errors

If you use a third-party vendor, such as TimeClock Plus, to import hours worked to the ACS Payroll module, you must make sure that all parameters are set up correctly. If an error exists between the tables in the software of the third-party vendor and the ACS tables, the import process stops. ACS generates a Time Clock Export report that you can use to correct the errors. Records are grouped together by error type.

To successfully import time information, you must correct all errors. Some examples that may display on the report are:

- The following employees do not have a *3rd Party ID.
- The following cost centers do have a *3rd Party ID.

The Time Clock Export report displays the following:

- An error message
- ACS code, employee or cost center
- Employee name or cost center description

Customizing Employee Labels in Payroll Reports

You can customize the labels for your personnel folders to meet the needs of your organization.

You can print up to five lines of information on the labels based on the selections you make in Label Layout when customizing the Employee Labels in Payroll reports. You can select to print the field description and data in the field, or enter text of your own. We recommend using Standard Avery 5160 3-up (three per page) labels.

To customize and print employee labels

1. Under Generate Reports, click the **Labels** tab.
2. In the drop-down list, select **Employee Labels** and click **Go** .
3. In the lower sidebar, click **Customize**.
4. On the **Options** tab, lick **Label Layout**.
5. Select a field name for each line of the label that you want to print, then click **OK**.
6. On the **Options** and **Employee Search** tabs, select any additional options to print on the labels.
7. Click **Preview**.
8. When the labels display, click **Print** .

Additional Field Information

Line 1 through Line 5
Select the field that you want to print on the designated line. If you select None in a label field, nothing prints on the line.

Show Desc.
Select to print the field description and the data in the field.

Text
Select to enter text on a particular line. If you select **Text** and do not enter anything, nothing prints on the line.

Customizing Payroll Reports

When printing Payroll reports, you can customize report options and include employees based on search criteria, allowing you to preview and print reports with criteria specific to your church or organization.

Customizing Payroll Report Options

When printing a payroll report, you can configure your report to meet the needs of your organization, such as selecting different options and fields to generate the information for a particular employee or a range of dates.

You can also select to include all wage and withholding information or just tax information. To include detail, summary, or total information, set up the **Print Date** that displays on the report, or change the title of the report to include your organization's name.

To customize payroll reports

1. Under Generate Reports, click the **Reports** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. In the Reports window, select the report you want to print, then click **Customize**.
4. On the **Options** tab, select the options you want to display on your report, then click **Preview** to display your report.

Additional Field Information

The following fields and options are available on the Options tab. Not all options are available for every report.

Title
Displays the ACS report name. To enter a report name of your own, click in the **Title** field.

Print Date
Displays the date the report is printed. The ACS default date is the current date; however, you can enter a different date to print on the report, or select a date in the calendar. Entering a different Print Date does not affect the information on the report.

Orientation
Select to print the report in the portrait (8-1/2 x 11) or landscape (11 x 8-1/2) format.

Report Options

- **Sort by** — Select **Employee Name** or **Employee Code** to determine the order in which information prints on the report.
- **Group by department** — To group information by department, select this option.
- **Page break on employee** — To insert a page break when encountering a new employee name or code, select the check box.
- **Print Totals Only** — To print only totals when printing employee wage or withholding information, select the check box.
- **Select Address Type** — To print only certain types of addresses for employees, select the address type in the list.
- **Additional Phone/E-mail/Address Types** — To print information in addition to the primary phone number, e-mail address, or address, select this option, then click **Select** and choose the phone, e-mail, and address types you want to include in the report.
- **Print Custom Name** — To print employees' names in a custom format, select this option, then click **Select** to choose the format you want to use for the employees' names in the report.
- **Report Type** — Determines the information that displays on the report.

  The valid options are: **All** (For the selected date range, wages, taxes withheld, and adjustments withheld or added. Contributions and workers' compensation amounts are listed as well as totals for each category for all employees included in the report), **Taxes** (For the selected date range, wages and taxes withheld as well as totals for each tax type for all employees are included in the report. You can select federal, state, or local taxes), and **Other Adjustments** (For the selected date range, wages and adjustments for all employees are included in the report. You can select deduction, contribution, or workers' comp adjustments).
- **Report Style** — Determines the amount of information included in the report.

  The valid options are **Detail** (Includes a separate line for each check for each employee with the employee's wages and withholding amount for each type. A subtotal by employee and a total of each withholding type is included), **Summary** (Includes a line for each employee by withholding type that includes the employee's total wages and withholding amount for each type. A total is included for each withholding type by wages and withholding amounts), and **Totals** (Includes a line for each withholding category and the total wages and withholding amounts for each type. A total by withholding type is included).
- **Print Uppercase** — To print information in all capital letters, select this option.
- **Start Printing at Label** — To begin printing at a certain label, select this option. Enter the number of the label where you want to begin printing.

Employee Options

- **Include inactive employees (only)** — To include employees marked as not active in the report, select this option. To include *only* inactive employees, select this option.
- **Print Unlisted Phone/E-mail** — To include phone numbers and e-mail addresses marked as unlisted, select this option.
- **Include employees with no accumulation** — To include employees with no wage information for the selected date range, select this option. If the employee's net pay is $0.00 due to a deduction for the full amount of the check, the employee is included on the report.
- **Workers' Compensation State** — When printing the Workers' Compensation Report, enter the state for which you want to print the report. Click the down arrow and select the state in the list.

Transaction Options

- **Filter by Date** — If you want to include information for a range of dates, select this option. Enter the dates in the following fields. To include information for one date only, enter the same date in both fields.
- **By Bank** — To include information for a certain bank account, select this option. In the drop-down list, select the bank account.
- **Include voided checks** — To include voided payroll checks in the report, select this option.
- **Filter Adjustments** — To filter by specific adjustments, select this option. Click **Select** to specify which adjustments you want print on the report.

Customizing an Employee Search in Payroll Reports

When printing reports, you can search for employees using any of the information that you enter in the employee record when you add an employee.

When you want to include one employee or a range of employees in the report, use the **Employee Search** tab to enter the search criteria. You can select specific employees to print on the reports as well. You can also search for all employees in a particular state or department.

To customize an employee search

1. Under Generate Reports, click the **Reports** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. In the Reports window, select the report you want to print, then click **Customize**.
4. On the **Employee Search** tab, enter or select your search options. You can search based on employee information, job information, tax codes, review dates, pay selections, and more.
5. **Optional:** Select any additional report options on the **Options** tab.
6. Click **Preview** to display your customized report.

Payroll Report Tips

On these pages, you'll find tips for using specific reports in the Payroll module.

Tips for the Customized Payroll List Report

Use the Customized Payroll List Report to create as many customized payroll list reports as you need to meet the needs of your organization. Use the **Select Columns** option to choose the fields that you want to include in your customized payroll list reports. For example, you can select **Employee Name** and **Direct Deposit Flag** to display all employees who have direct deposit.

Make sure to give each customized payroll list report a unique name to distinguish the report from all the others.

Here are some tips for understanding and using the Customized Payroll List report:

- The Report Layout displays the names of all fields and field sizes used in the report. We recommend printing a report layout for all of your important custom reports. Printing report layouts provides you with the necessary information to quickly enter report settings.
- If necessary, you can adjust the length of the fields. When you adjust the length of a field, notice that the Total Inches Remaining field automatically adjusts to help you gauge the number of inches you have left to work with on the report. The default field sizes are averages and can be reasonably reduced (depending on the number of columns you have selected). However, when reducing field sizes, always preview the report before printing to make sure that the column headers and data are not truncated.

To customize and print the Customized Payroll List report

1. Under Generate Reports, click the **Reports** tab.
2. In the drop-down list, select **Payroll**, then click **Go** .
3. In the Reports window, expand **Lists**, select the **Customized Payroll List Report**, and click **Customize**.
4. On the Employee Search and Options tabs, select any report options you want to display on the report, then click **Select Columns**.
5. Under **Available Columns**, select a field that you want displayed on the report.
6. Use the arrow buttons to add, remove, and arrange columns in the order you want them displayed on the report:
    - To move your selection to **Columns to Print**, click the right arrow .
    - To move a single column from the list of **Columns to Print** and return it to the list of **Available Columns**, select the column name and click the left arrow .
    - To move all columns from the list of **Columns to Print** and return them to the list of **Available Columns**, click return all .
    - To move the order of a column further down, select the column and click the down arrow .
    - To move the order of a column up, select the column and click the up arrow .

7. **Optional:** To adjust the length of a column field, select the field name and enter the desired length in the **Adjusted field size** field.

> **Useful Information**
>
> You must edit the adjusted field size for a column heading while it's in the Available Columns list before moving it to the Columns to Print list.

8. Adjust the field length of fields to space the columns on the report as desired.
9. **Optional:** Click **Print Report Layout**.
10. When finished, click **Return** to return to the Reports window, then click **Preview** to display your report.

Tips for the Liability Report

The Liability report displays the total liability for a selected period, including tax deductions, employer contributions, worker's compensation, taxable wages, and adjustments. It's commonly printed at year-end.

Here are some tips for understanding and using the Liability report:

- The Liability Report displays the total liability for a selected period including tax deductions, employer contributions, workers' compensation, wages, and adjustments.
- Use the Liability Report to balance your Form 941.
- Make sure to print the Liability Report for the same quarter you selected on Form 941.

What if the 941 does not match the liability report?

Here are some common reasons why the two reports may not match and how to fix them.

Cause	Issue	Solution
The **FICA** or **Medicare** tax amounts were edited on a pay check.	The 941 calculates FICA and Medicare taxes as a percentage of the FICA and Medicare taxable wages. The **Liability Report** reflects the taxes that were actually withheld. The **941** calculates the taxes that should have been withheld.	Contact your accountant or tax advisor on how this should be handled.
An employee that is **FICA Exempt** did not have this marked on their record on the **Tax** tab.	An employee that is **FICA Exempt** and has a deduction to their pay will show as a negative amount on the **Liability Report** for FICA and Medicare wages. This reduces the amounts for taxable wages on the **941**. The **Liability Report** reflects the correct taxes, but the **941** is less because the taxable wages are incorrect.	Most likely, the employee's wages are set up as tax free and the adjustments are set up after taxes. Edit the W-2 Totals to fix this.
A check has been voided since the **Liability Report** was last pulled.	Normally, **Liability Reports** are pulled at the end of each month. If a check for a prior month was voided in the current month, the printed **Liability Report** will not reflect the changes.	Create a new **Liability Report** for the same period to see if it matches the **941**. If it does not match, create a Void Check Report. Verify that the check date matches the void date on all checks voided. If it does not, perform a Financial backup, then contact Support.

Tips for the W-2 Adjustment Report

Here are some tips for understanding and using the W-2 Adjustment report:

- The W-2 Adjustment Report displays adjustments entered in Add/Edit W-2 Totals. The information includes the amount and the user who entered the adjustment.
- The Basis amount is calculated from the amounts entered in W-2 boxes 1, 3, and 5 (Taxable Income).
- Amount is calculated from the figures changed in boxes 2, 4, and 6 of the W-2 (Taxes Withheld).
- Effective Date is the original transaction date.
- Date Changed is the date the adjustment was actually made.
- TranRef is the transaction reference number for purposes of going into view tables.

Tips for the Worker's Compensation Report

The Worker's Compensation report is commonly printed at year-end. Here are some tips for understanding and using the report:

- MTD Compensation Gross - Total is based on the report's ending date.
- Total tax amounts = (Gross x Regular Rate) + (Overtime x Overtime Rate). Rates are entered in Add/Edit Workers' Comp Code.
- If all of your employees are not listed on the Workers' Compensation Report, check to make sure that the pay types for your employees have the **Add to Workers' Comp Basis** option selected. You may need to void the payroll checks, edit the pay types, and reissue the checks.
- Workers' compensation is an accumulation record only and does not affect General Ledger in any way. No transaction is made by ACS, so no General Ledger accounts are entered in the Payroll module for workers' compensation.
- If you began using ACS Payroll in the middle of the year and need to enter Workers' Compensation adjustments to your employees, you can use the Workers' Compensation Adjustments option to adjust workers' compensation totals whenever necessary.

Payroll Period End Reports and Procedures

In Period End Reports, you can print Form W-2, Form W-3, and Form 941. You can also create a W-2 extract to send to the Social Security Administration for processing, and you can electronically file Form 941. You do not have to close the year in Payroll.

Loading Payroll Tax Updates

Before processing the first payroll of the new year or printing federal forms (W-2, W-3, 941, 1099, or 1096), ACS Technologies recommends that you load the tax update. The updates are located on the ACS Client Portal.

If using the networked version of ACS, you may need to log in as a network administrator to run the update.

Note

Loading the tax update does not affect the local tax table codes. You must manually enter changes to local taxes.

Working with Form W-2

On the **W-2** tab, you can print Forms W-2 and Form W-3.

Form W-2 is used to report wages paid to employees and taxes withheld from them. Employers must complete Form W-2 for any employee they pay a salary, wage, or other compensation to, and the form must be mailed to employees on or before January 31 of the calendar year.

If you do not want to print Form W-2 for certain employees, you can mark them as inactive. However, if the employee received a check during the year, you should print Form W-2 for the employee.

ACS lets you print Form W-2 at any time, but to include the entire year of earnings on the Form W-2, print the forms after you process the last payroll for December. You should also make any corrections to employee paychecks, including voiding and reissuing checks (if necessary) before printing Form W-2. Make sure to date any reissued checks so that they display on the correct W-2.

If you need to adjust or correct W-2 totals, you can do this in Add/Edit W-2 Totals in Utilities.

When printing Form W-2

We recommend printing your forms on plain paper until you are certain that your totals are correct.

You can also make sure that your forms are lined up correctly in your printer before printing on the actual forms. By printing on plain paper, you save the expense of wasting forms.

To create Forms W-2

1. Under Generate Reports, click the **Period End Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s** and click **Go** .
3. On the **W-2** tab, select the **Report Type** in the drop-down list.
   - **2-up Statement** — Prints two employees per page.
   - **4-up Statement** — Prints one employee per page, on a pre-printed form.
   - **4-up Statement Blank Paper** — Prints one employee per page, on a blank form.
4. Select the **Year**.
5. Verify your organization's **Federal Tax ID** and **State Tax ID** numbers. If necessary, enter the tax ID numbers.
6. To print W-2s for multiple states, select **Multiple States**. Then, click **Tax IDs** to enter state tax IDs for the states you want to print.

7. Under **Copies**, select the number of copies you want to print.

> **Note**
>
> If a state without a Tax ID is printed on an employee's W-2, an error message displays and lists the states that are missing tax IDs.

8. **Optional:** To increase or decrease the space between the first and second Form W-2 on a page, enter a number in the **Adjust 2nd W-2** field. This option is available with both the 2-up Statement and the 4-up Statement.
9. **Optional:** If you do not want to print a summary page, clear the **Print Summary Page?** check box.
10. **Optional:** If you want to filter employees by departments, select **Department**, and click **Select**.
11. **Optional:** If you want to filter by specific employees, select **Employees**, and click **Select**.
12. **Optional:** Under **Employee Name Range**, use the **From** and **To** fields to select which W-2s to print.
    - To print for one employee, enter the employee's name in both the **From** and **To** fields.
    - To start printing forms beginning with a specific employee, enter the employee's name in the **From** field and leave the **To** field blank.
    - To print for a range of employees, enter the beginning name in the **From** field and the ending name in the **To** field.
    - To print for all employees, leave both the **From** and the **To** fields blank.
13. Click **OK** to continue.
14. To preview the form before printing, click **Preview**. Click **Print** to send it to the printer without previewing.
15. To electronically file Form W-2, click **Tax E-File**.

Adjusting Employee W-2s

> **Note**
>
> We recommend making a Financial backup before adding and editing W-2 totals.

You can make any needed adjustments for the quarter or yearly W-2 totals through Add/Edit W-2s Totals.

When you use Add/Edit W-2 Totals to enter payroll totals, the summary totals become part of Employee W-2 information. In addition, the information is added to the Payroll tables. The following information is recorded:

- Taxable Wages
- Accumulated Taxes
- Earned Income Credit Payments
- Adjustments

This information does not post to the General Ledger.

If you are editing W-2 totals during the course of the year, all accumulated period-to-date totals display in the Input W-2 Information window for the period selected. For example, if you select Q3, only totals from the third quarter display.

To read more about adjusting W-2 totals and fields, see Helpful hints for entering W-2 totals. To learn more about adjusting fields 10, 12, and 14, see the IRS' Instructions for Form W-2.

To adjust W-2 Totals

1. Under Manage Records, click on the **Period End Procedures** tab.
2. In the drop-down list, select **Add/Edit W-2 Totals** and click **Go** .
3. In the Input W-2 Information window, click **Lookup** to select the **Employee** whose W-2 you want to adjust.
4. In the **Year** field, select the year for which you are entering or changing W-2 totals.
5. Under **Transaction information**, select the appropriate period. Select **Q1**, **Q2**, **Q3**, or **Q4**.
6. Enter the appropriate information in each field of the W-2, then click **Apply**. If you do not click **Apply**, the adjustments you entered are not saved or posted to the employee's record.
7. A message displays, stating "You have entered or changed information in the Total Gross, Deduction, or Addition fields." If the statement is true, perform step #8 as necessary for your situation.

8. Follow the appropriate steps as they apply to your situation:
    - If you entered initial totals or edited the **Total Gross** field, the Add/Edit W-2 Wages window displays when you click **Apply**. Distribute this amount to the appropriate pay type and cost center. The default cost centers and pay types that display are defined on the **Pay** tab of the employee's record. If necessary, edit this information. Click **OK** to save your changes.
    - If there are deduction or addition adjustments associated with this employee record and you entered or changed information in the **Deduction** or **Addition** fields, the Add/Edit W2 Additions or the Add/Edit W2 Deductions window displays when you click **Apply**. Disburse the amount to the appropriate adjustment. Click **OK** to save your changes.
9. Click **OK** to continue.

Common Errors When Preparing Form W-2

Here's a list of common errors made when preparing W-2 Forms. This list comes from the Social Security Administration, and we've included instructions for correcting them in the Payroll module.

You may also want to check out the IRS' instructions for Forms W-2 and W-3.

Incorrect Employee Name
On the Add/Edit Employees Data tab, make sure the information in the name fields is correct.

Using Titles with Employee Names
On the Add/Edit Employees Data tab, make sure that you have not entered a title as part of an employee's name in any of the name fields.

Incorrect Social Security Number
On the Add/Edit Employees Data tab, make sure the correct Social Security Number is entered in the SSN field.

Incorrect Address
On the Add/Edit Employees Data tab, make sure you have entered the correct address. Check the Address, ZIP Code, and City/State fields.

Nonstandard W-2/W-3 forms
You can purchase standard forms directly from ACS Technologies. Visit our Web site for a complete list of forms.

Federal Tax (EIN) and/or State Tax ID Omitted
On the Utilities tab, click Select Data Set. View your organization setup information and verify that you entered a federal and a state tax ID number.

The second W-2 on the page does not line up
If only the second W-2 on the page does not line up, use the Adjust 2nd W-2 option. Entering 1 represents a 16th of an inch. A minus amount brings the 2nd W-2 up and a positive amount pushes the 2nd W-2 down.

The entire W-2 form aligns incorrectly
If the entire W-2 is off, you can adjust the margins first and then adjust the 2nd W-2 if needed. The default margins are .5 for the 2-up statement and .25 for the 4-up statement. If you need to adjust the margins, click the Page Setup icon in the Preview window and click the Margins tab. For a list of common printer margins, see W-2s are not correctly aligned.

The W-3 does not pull the correct local tax on Form W-2

The local tax code for the previous year was different than what is currently on the record. Form W-2 pulls the tax code from the time the checks were posted, and Form W-2 pulls the local tax presently on the record.

To fix this, edit the local tax to match the previous year's. In Add/Edit Employees, select the employee that changed, then click the Taxes tab to change the tax. After printing Form W-3, change the local tax back to the current amount.

The W-2 Summary Total reflects FICA and Medicare wage amounts less than the 941s FICA and Medicare wages

The W-2 Summary does not include one or more employees because the employee(s) had negative wage amounts for FICA and Medicare wages. The 941s and Liability matched and included the negative wages, reducing the total FICA and Medicare Wages by the negative amount.

My Form W-3 is correct, but not all of my Forms W-2 printed

You may have selected an Employee Range when printing the W-2. This range selects employees by name range, not employee code range. It does not affect the W-3.

Printing Form W-3

The Form W-3 is a calculated total of the Forms W-2. The totals on the Form W-3 must equal the total of the quarterly Forms 941 with the exception of Medicare and FICA. The totals in these fields on the Form W-3 are one-half the totals in the same fields on the Form 941.

The information you enter in this window prints on the W-3 form, but employee selections do not change the W-3 total. The W-3 total is always the total of all W-2 forms.

To print Form W-3

1. Under Generate Reports, click the **Period End Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s**, then click **Go** .
3. On the **W-2** tab, make the selections for the correct W-2 year. Form W-3 calculations are based on these selections.
4. Click **Print W3**.
5. In the W-3 Fields window, enter the employer's
   - **Control number —** This optional box is used for numbering the whole transmittal. Be sure entries do not cross into the Establishment Number.
   - **Other EIN used this year —** If applicable, enter any additional employer identification numbers used this year.
   - **Establishment Number —** This identifies separate establishments in your organization/business. You may file a separate Form W-3, with Forms W-2, for each establishment even if they have the same EIN, or you may use a single Form W-3 for all Forms W-2 of the same type.
6. If you use a form that already has your organization's name, address, and federal tax id number printed on it, select **Hide Site Information**.
7. Under **Kind of Payer**, select one of the following options:
   - **941** — Select if you file Form 941 and no other category applies to you (except Third-party sick pay.)
   - **Military** — Select if you are a military employer sending Forms W-2 for non-uniformed employees.
   - **943** — Select if you file Form 943 and you send Forms W-2 for agricultural employees.
   - **944** — Select if you file Form 944. This form is for those employers whose annual liability for social security, Medicare, and withheld federal income taxes is $1,000 or less who file and pay these taxes once a year instead of every quarter.
   - **CT-1** — Select if you are a railroad employer sending Forms W-2 for employees covered under the Railroad Retirement Tax Act.
   - **Hshld. emp.** — Select if you are a household employer sending Forms W-2 for household employees and you did not include the employees on Form 941.
   - **Medicare govt. emp.** — Select if you are a government agency filing Forms W-2 for employees that are subject to only 1.45% Medicare tax.
8. Under **Kind of Employer**, select the appropriate option. 501c non-government is selected by default.
9. If you are a third-party sick pay employer and you file Forms W-2 with the Third-party sick pay box (box 13) checked, select **Third-party sick pay**.

10. Enter the appropriate **Contact Information**.
11. Click **OK**, then **Print**.

Creating a Tax E-File User Account

The first time you electronically file Forms W-2, 941, or 1099, you must set up an account. You must have an account to file electronically or request a PIN to electronically sign Form 941. Each ACS user within your organization must have a separate account for e-filing.

To create a tax e-file user account

1. On the **W-2** or **1099** tabs, or within the Form 941 wizard, click **Tax E-File**.
2. When the ACS Tax E-File window displays, click **Create Account**.
3. In the ACS Tax E-File: User Account Setup window, enter the required information. Your password must be between 8 and 30 characters long.
4. When finished, click **OK**.

After you create an account, you will receive a confirmation e-mail containing your ACS Tax E-File username.

After creating an account, ACS saves your login information, but you can edit your account's details if something changes.

To edit your tax e-file user account

1. On the **W-2** or **1099** tabs, or within the Form 941 wizard, click **Tax E-File**.
2. In the ACS Tax E-File window, click **Edit Account**.
3. Make the necessary changes, then click **OK**.

You can also change or reset your password if you need to.

To change or reset your password

1. On the **W-2** or **1099** tabs, or within the Form 941 wizard, click **Tax E-File**.
2. In the ACS Tax E-File window, click **Edit Account**.
3. To change your password:
    - In the ACS Tax E-File: User Account Setup window, click **Change Password**.
    - Enter your new password in the **New Password** and **Confirm Password** fields.
    - Click **OK**.
4. To reset your password:
    - In the ACS Tax E-File: User Account Setup window, click **Forgot Password**.
    - When the confirmation message displays, click **Yes**.

Electronically Filing Form W-2

On the **W-2** tab, you can electronically file Form W-2, which reports employee wages and withholdings. As an employer, you must complete Form W-2 for any employee you pay a salary, wage, or other compensation. If you electronically file the form, you can have recipient copies printed and mailed for you.

To include the entire year of earnings on Form W-2, file it after processing December's last payroll. You should also make any corrections to employee paychecks, including voiding and reissuing checks (if necessary) before filing. Be sure to date any reissued checks so that they affect the W-2 for the correct year. If you need to adjust or correct W-2 totals, do this in Add/Edit W-2 Totals in Utilities.

Before electronically filing Form W-2, select the employees you want to file the form for, the year, and your Tax ID information. If you are electronically filing tax forms for multiple states, you must create and transmit a separate file for each state.

Before E-Filing

Before you can electronically file tax forms, you must create an account.

For more information, see Creating a Tax E-File User Account.

To create and electronically file Forms W-2

1. Under Generate Reports, click the **Period End Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s** and click **Go** .
3. Select the **Year**.
4. Verify your organization's **Federal Tax ID** and **State Tax ID** numbers. If necessary, enter them.
5. To electronically file one state's W-2s, enter the **State Tax ID**.
6. To electronically file multiple state W-2s, select **Multiple States**, then click **Tax IDs** to enter or select those state tax IDs.
7. **Optional:** To file Form W-2 by department, select **Department**, and click **Select**.
8. Under **Employee Name Range**, use the **From** and **To**fields to select which W-2s to file.
   - To file for one employee, enter the employee's name in both the **From** and **To** fields.
   - To file beginning with a specific employee, enter the employee's name in the **From** field and leave the **To** field blank.
   - To file for a range of employees, enter the first name in the **From** field and the last name in the **To** field.
   - To file for all employees, leave both the **From** and the **To** fields blank.
9. Click **Tax E-File**. If you have not created an account, you must create one now.
10. In the ACS Tax E-File window, click **Validation Report**. The W-2 Validation report lists the information that will be sent to the IRS.
11. When the Validation Report displays, click **Print**.

12. If you need to make any corrections after reviewing the validation report, do so, then generate Form W-2 again before clicking **Transmit File**. After transmitting the file, you cannot correct any errors.
13. In the ACS Tax E-File window, click **Transmit File**. If any errors, such as missing information, are found, they display so you can correct them and resubmit the file.
14. After transmitting your file with no errors, the E-filing Dashboard displays in a web browser. You can then select the forms you want to file, view subtotals, and check out.

After you electronically file tax forms, you can view the E-Filing Dashboard to complete forms you have started but not yet submitted for e-filing, check the status of your filings, view submitted forms, and view summary and reconciliation reports.

To view the dashboard

1. Under Generate Reports, click the **Period End Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s** and click **Go** .
3. On the **W-2** tab, click **Tax E-File**.
4. In the ACS Tax E-File window, click **View Dashboard**.

Working with Form 941

Useful Information

The Form 941 that ACS prints is approved by the IRS. You must load the annual tax update at the end of each year to ensure your forms and tax tables are current.

Form 941 is an IRS form that all employers withholding income tax on wages are required to file each quarter. The form displays the total federal taxable wages and tips, FICA, and Medicare taxable wages and tips withheld for the quarter, and the number of employees during Quarter 1. The form also displays the total tax liabilities for each payroll check run within the quarter. You can cross-reference these amounts by viewing or printing the Liability Report for the same quarter.

You can process and print government-approved Forms 941, 941-V Payment Voucher, and 941-Schedule B in the Payroll module.

Form 941 prints the total Federal Taxable Wages and Tips, FICA Wages and Tips, and Medicare Taxable Wages and Tips withheld for the quarter. Schedule B displays the total tax liabilities for each payroll check run within the quarter. You can cross-reference the tax liability amounts on Schedule B by viewing or printing the Liability Report for the same quarter. If you make a payment with Form 941, use the 941-V payment voucher. 941-V is the Payment Voucher to send with Form 941 if you are not a weekly depositor. You can print it after completing Form 941 (it prints at the bottom of the page).

The 941 Expert automates most of the computations involved in creating Form 941. It reviews the computations step-by-step and makes any necessary adjustments. The forms look slightly different from the blank government forms, but they are fully approved by the IRS. All employers who withhold income tax on wages are required to file the IRS Form 941 each quarter of the year.

Some states require employers to submit the 941-A Report for reporting state taxes. The 941-A report shows quarterly gross pay, the taxable pay amount, and the difference between gross and taxable pay for all employees in a selected state (or states). Since Form 941 is a Federal Tax liability form and Form 941-A is a State Tax liability form, these totals may or may not match.

Creating and Printing Form 941

Form 941 is an IRS form that all employers withholding income tax on wages are required to file each quarter. You can print a Form 941 for the current quarter or any previous quarter. Before editing fields on Form 941, refer to the IRS Form 941 Instructions.

Once you print Form 941, make sure that Line 10 (Total taxes after adjustment for advance EIC) equals Line 17 (Total), or Total liability for the quarter for Schedule B. Rounding errors (adding or dropping fractions of cents) sometimes cause a difference between the two values. To correct this, you can make an adjusting entry. However, if the discrepancy is less than a dollar, an adjusting entry is not required. To correct a discrepancy greater than one dollar, enter a negative amount on Line 7. If the amount for Net Taxes is less than the amount for Total Liability for Quarter, enter a positive amount.

On Form 941, Line 11 (Total deposits for the quarter, including overpayment applied from a prior quarter) is the amount of taxes you already paid this quarter. Line 11 is subtracted from Line 10 to determine whether or not you owe any money. If this amount is:

- **$1.00 or over** — You submit a payment in this amount to the IRS. This amount displays in Field 12 (Balance Due).
- **From $0.00 to $0.99** — You do not have to submit a payment for this amount because the IRS does not require payments under $1.00. This amount displays in Field 12 (Balance Due).
- **Under $0.00 (a negative amount)** — You can request a refund or apply this overpayment to next quarter's return. This amount displays in Field 13 (Overpayment).

Reminders

If you made changes that affect your payroll data (for example, editing an employee's Form W-2) since you last created the Form 941, you must create a new Form 941 or edit the existing 941 to reflect the changes you made.

Don't forget to sign your printed Form 941 before sending it to the U.S. Government. Or, you can make your deposits electronically. To learn more about this, visit the Electronic Federal Tax Payment System Web site.

If Form 941 does not line up correctly when printing, you may want to select the defaults in Printer Setup. To learn more, see Setting up Printers in ACS Financial Suite Reports.

To create and print Form 941

1. Under Generate Reports, click the **Period End Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s**, then click **Go** .
3. On the **941** tab, select **Create/Print 941**.

4. **Optional:** To print the 941 worksheet for each department to which employees are assigned, select **Department**, then click **Select** to choose the departments to print the 941 for.
5. Click **OK**.
6. When the Form 941 Expert displays, select one of the following options:
    - **Create a new form 941** — To create a new Form 941 or the Schedule B, select this option. Selecting this clears all selections and adjustments that you made the last time you completed the process.
    - **Edit existing form 941 computations** — If you created Forms 941 or Schedule B, select to edit amounts.
    - **Print/Preview existing form 941** — To print the Forms 941, 941-V, or Schedule B, click this option. The last information you created or edited for the forms prints.
7. Click **Next** to complete steps 1-8 of the Form 941 Expert.
8. When finished, a confirmation message displays. Click the form you want to print, edit the Schedule B, or electronically file your 941s.

Printing Form 941-A

The 941-A report shows quarterly gross pay, the taxable pay amount, and the difference between gross and taxable pay for all employees in a selected state (or states). You can use this to print a quarterly report of state tax withholdings.

> **Tip**
>
> If employees print in order on the first page, but a second page of other employees prints, a State Tax table is in the Federal field. You can correct this on the **Taxes** tab on the employees' records.

To print the 941-A Report

1. Under Generate Reports, click the **Period End Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s**, then click **Go** .
3. On the **941** tab, select **Print 941-A** and click **OK**.
4. Under **Report Quarter/Year**, select the quarter and year you are reporting. Click the up and down arrows to select the correct quarter and year.
5. Under **Sort by**, select a sort option. Valid options are:
   - **Employee Name** — if selecting to print detail, displays employees in last name order
   - **Employee Number** — if selecting to print detail, displays employees in employee number order
6. Under **Report Options**, select one or all of the options. The options include:
   - **Print Detail?** — displays all active employees with totals for each column on the report.
   - **Print only employees with QTD accumulation?** — displays only those employees who received pay during the quarter selected.
   - **Print only employees with YTD accumulation?** --- displays only those employees who received pay during the year selected.
   - **Include Inactive Employees?** — includes the amounts for inactive employees in the totals on the report and also displays the inactive employees if printing detail.
7. To only include employees from certain states, click **Select States**.
8. **Optional:** Click **Preview** to view the report prior to printing.
9. Click **Print**.

Printing the 941 Worksheet

The Form 941 worksheet is designed to help you complete Form 941. It lists computed information for each field, as well as a field for adjusted information and daily tax liability for each month of the quarter. Printing and completing this form may help you create Form 941.

Missing Employees?

If some employee wages do not display on the 941 Worksheet, you may need to attach a pay type to their records.

To do this, edit the employee's record to add the pay type and cost center (make sure the pay type is flagged as taxable in Add/Edit Pay Types), then edit the W-2 to correct the 941 Worksheet.

To print the 941 worksheet

1. Under Generate Reports, click the **Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s**, then click **Go** .
3. On the **941** tab, select **Print 941 Worksheet**.
4. In the drop-down list, select the **Date quarter ended**.
5. **Optional:** To print the 941 worksheet for each department to which employees are assigned, select the **Department**.
6. When the worksheet displays, click **Print** .

Electronically Filing Form 941

Before E-Filing

Before you can electronically file tax forms, you must create an account.

For more information, see Creating a Tax E-File User Account.

In Payroll, you can create and electronically file Form 941. All employers withholding income tax on wages are required to file this form each quarter.

Before editing fields on Form 941, refer to the IRS Form 941 Instructions.

Creating Form 941

Before e-filing Form 941, enter the 941 information into the Form 941 Expert, just like you do when printing the form.

To create Form 941

1. Under Generate Reports, click the **Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s**, then click **Go** .
3. On the **941** tab, select **Create/Print 941**.
4. **Optional:** To print the 941 worksheet for each department to which employees are assigned, select **Department**, then click **Select** and choose the departments to e-file the 941 for.
5. Click **OK**.
6. When the Form 941 Expert displays, select one of the following options:
   - **Create a new form 941** — To create a new Form 941 or the Schedule B, select this option. This clears all selections and adjustments that you made the last time you completed the process.
   - **Edit existing form 941 computations** — If you created Forms 941 or Schedule B, select to edit amounts.
   - **Print/Preview existing form 941** — To print the Forms 941, 941-V, or Schedule B, select this option. The last information you created or edited for the forms prints.
7. Click **Next** to complete steps 1-8 of the Form 941 Expert.
8. When finished, a confirmation message displays. Enter your **E-File PIN**, then click **Tax E-File**.

Registering for a PIN

The first time you electronically file Form 941, you must register for a PIN if you do not already have one. This PIN is assigned by the IRS and replaces your signature on the paper form. The IRS requires a separate PIN for each person who electronically "signs" the 941.

After requesting your PIN, you should expect a response from the IRS within 7-10 days. Then, you can electronically file Form 941.

To register for a PIN

1. After creating Form 941, click **Need a PIN #?**.
2. In the PIN Application Form window, enter information into the required fields, then click **Send PIN Application**.

Verifying and Transmitting Form 941

After you create Form 941, you can print the form to verify the information before submitting it to the IRS. Verifying the form lets you correct any errors, create the form again, and transmit it.

To verify and transmit Form 941

1. After entering information in the Form 941 Expert, click **Tax E-File**.
2. When the ACS Tax E-File window displays, click **Print 941**.
3. Review the printed copy and make any necessary corrections within the Form 941 Expert, then click **Tax E-File** to return to the ACS Tax E-File window.
4. In the ACS Tax E-File window, click **Transmit File**.
5. After transmitting your file with no errors, the E-filing Dashboard displays in a web browser. You can then select the services you want to file, view subtotals, and check out.

After E-Filing Form 941

After you electronically file tax forms, you can view the E-Filing Dashboard to complete forms you started but have not submitted for e-filing, check the status of your filings, view submitted forms, and view summary and reconciliation reports.

To view the dashboard

1. Under Generate Reports, click the **Period End Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s** and click **Go** .
3. On the **W-2** tab, click **Tax E-File**.
4. In the ACS Tax E-File window, click **View Dashboard**.

Working with the W-2 Extract

All employers who file 250 or more Forms W-2 must extract W-2 information to a file and transmit it electronically to the Social Security Administration. Currently, the Social Security Administration only accepts files electronically, so if you file fewer than 250 Forms W-2, you can still create an extract file for your forms. The extract follows the Social Security Administration's specifications for filing Forms W-2 electronically (EFW2) for the extract file.

Use the W-2 Extract tab on the Period End Reports menu to create the work file, print the work file, edit employer and employee information, and create an extract file. The extract includes a summary, which serves as the W-3.

The Social Security Administration offers free software that checks your extract file for errors. You can download the program and use it on your extract file before submitting it. For more information, visit http://www.ssa.gov/employer/accuwage.

Note

The Social Security Administration does not accept compressed files or diskettes. Do not use a compression utility such as WinZip, PkZip or DynaZip.

Creating a W-2 Extract Work File

Before creating the W-2 Extract, you must create a work file. The work file contains raw data extracted from your organization, as well as accumulated employee W-2 information. The extract also includes a summary, which serves as the W-3.

You can edit employer or employee information as necessary. The Payroll module automatically extracts every employee when it creates the work file. You cannot extract a range of employees or a single employee.

The Social Security Administration offers free software that checks your extract file for errors. To learn more or download that program, click here.

To create a W-2 Extract work file

1. Under Generate Reports, click the **Period End Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s**, then click **Go** .
3. Click on the **W-2 Extract** tab, then select the **Year**.
4. **Optional:** To filter employees by departments, select **Department**, then click **Select** to choose the departments.
5. To create a work file for a state's W-2s, enter the **State Tax ID**.
6. To create a work file for multiple states' W-2s, select **Multiple States**, then click **Tax IDs** to enter or select those state tax IDs.
7. Select **Create Work File**.
8. Click **OK**.
9. A confirmation message listing the number of employees processed displays. Click **OK**.

After creating the work file, you can print it, edit employer or employee information, then create an extract to send to the Social Security administration.

Printing a W-2 Extract Work File

Before you edit your employer or employee information, you can print the W-2 Extract File Proof List. This report contains the same information that is in the work file.

When you print the report, you have a hard copy of the W-2 extract file you are sending to the Social Security Administration. You can also verify that the information contained in the work file is correct.

Before You Print

You must create a W-2 Extract Work File, which contains pertinent raw data about your Organization as well as accumulated employee W-2 information.

If you have not created a work file, see the topic Creating a W-2 Extract File.

To print a W-2 Extract File Proof List

1. Under Generate Reports, click the **Period End Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s**, then click **Go** .
3. Click on the **W-2 Extract** tab.
4. Click the up and down arrows to select the correct W-2 **year**.
5. To print a work file for a state's W-2s, enter the **State Tax ID**.
6. To print a work file for multiple states' W-2s, select **Multiple States**, then click **Tax IDs** to enter or select those state tax IDs.
7. Select **Print Work File**, then click OK.
8. **Optional:** Use the preview tools to review the report prior to printing.
9. Click **Print**.

Some fields you enter on the employees' Form W-2 do not display on the W-2 Extract. These fields include:

W-2 Field	Field Description
d	Control Number
12 Code J	Nontaxable sick pay
12 Code K	20% excise tax on excess golden parachute payments
12 Code L	Substantiated employee business expense reimbursements
12 Code P	Excludable moving expense reimbursements paid directly to employee
14	Other
20	Locality Name

Editing W-2 Extract Employee Information

The largest portion of a W-2 extract file contains all wage and tax information about each employee.

After creating the W-2 Extract work file, you can edit an employee's name and address information, include amounts such as Roth IRA contributions, as well as Federal, State, and Local tax information.

> **Note**
>
> Changes made to W-2s through the W-2 Extract affect only the extract file. These changes are not reflected on printed W-2s.

To edit employee information

1. Under Generate Reports, click the **Period End Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s**, then click **Go** .
3. Click on the **W-2 Extract** tab, then select the **Year**.
4. Select **Edit Employee Information** and click **OK**.
5. When the Edit Employee's W-2 Information window displays, click **Find** to locate the employee whose information you want to edit. Click **OK**.
6. Click **Edit**.
7. On the **Federal Information**, **State Information**, and **Local Information** tabs, edit the fields as necessary.
8. When finished, click **OK**.

Editing W-2 Extract Employer Information

A portion of the W-2 extract file you send to the Social Security Administration contains information pertaining to your organization. You must verify the extract file's Company, Submitter, Contact, and Employer information before sending it to the Social Security Administration.

> **Note**
>
> Changes made to W-2s through the W-2 Extract only affect the extract file. These changes are not reflected on printed W-2s.

To edit employer information

1. Under Generate Reports, click the **Period End Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s**, then click **Go** .
3. Click on the **W-2 Extract** tab, then select the **Year**.
4. Select **Edit Employer Information** and click **OK**.
5. When the Edit Employer's W-2 Information window displays, navigate to the appropriate tab and verify the information. To edit a field, click **Edit** on that tab.
6. When finished, click **OK**.

Additional Field Information

Employer Info Tab

Employment Type
Enter the employment type. The following are valid codes for employment type:

- A — Agriculture
- H — Household
- M — Military
- Q — Medicare Qualified Government Employment
- R — Regular
- X — Railroad

Submitter Info Tab

Submitter's EIN
Enter the submitter's employer identification number.

ReSub WFID
Enter the Wage File Identifier (WFID). This option becomes available when you select the Resubmitting File option.

Sending the W-2 Extract File

Before you save and send your file, note the following:

- The Social Security Administration accepts W-2 information electronically.
- Make sure that you use the default file name, W2REPORT. The Social Security Administration does not accept other file names.
- No compressed files are allowed.

To send a W-2 extract file

1. Under Generate Reports, click the **Reports** tab.
2. In the drop-down list, select **Payroll 941 and W2s**, then click **Go** .
3. Click on the **W-2 Extract** tab.
4. To send a file for one state's W-2s, enter the **State Tax ID**.
5. To send a file for multiple states' W-2s, select **Multiple States**, then click **Tax IDs** to enter or select those state tax IDs.
6. Select **Create Extract File**, then click **OK**.
7. In the W2 Extract Location window, enter the location where you want to save the extract file.
8. Click **Open**, then **OK**.

Working with Vacation and Sick Time at Period End

Along with generating and printing Payroll Period End Reports and Procedures, you may want to carry over or add vacation and sick time for employees.

ACS does not automatically carry over unused vacation and sick hours, so you must update this information manually. Many clients do this after completing year-end tasks in Payroll and closing the month of December.

Adding Vacation and Sick Time to Employee Records

Although the beginning of the year is the ideal time to add vacation and sick time to employee records, you can add the information at any time. You can also view an employee's current time off totals and time taken in the **Time Off Totals** grid.

> **Time Off Pay Types**
>
> If you defined additional time off pay types (such as medical leave) in Define Lists, you can add and edit time for those pay types as well. Follow the procedures for entering sick or vacation time, but select the user-defined pay type instead.

To add sick leave

1. Under **Manage Records**, in the **Enter Name** field, enter the individual's last name.
2. Press ENTER.
3. If necessary, select the correct record in the Find Individual window, then click **Use Selected**. If the individual has multiple records, select the correct record type in the list, then click **OK**.
4. Click on the **Time Off** tab.
5. To enter accrual information:
   - In the **Time Off Totals** grid, select **Accrual Rates** and click **Add**.
   - In the **Time Off Type** drop-down list, select **Sick**.
   - Enter the **Start Date**, **Rate**, **Unit**, and **Period**, then click **Ok**.
6. To enter sick leave already taken:
   - In the **Time Off Totals** grid, select **Time Taken**, then click **Add**.
   - In the **Time Off Type** drop-down list, select **Sick**.
   - Enter the **Start Date**, **Rate**, and **Unit**, then click **Ok**.

To add vacation time

1. Under **Manage Records**, in the **Enter Name** field, enter the individual's last name.
2. Press ENTER.
3. If necessary, select the correct record in the Find Individual window, then click **Use Selected**. If the individual has multiple records, select the correct record type in the list, then click **OK**.
4. Click on the **Time Off** tab.
5. To enter accrual information:
   - In the **Time Off Totals** grid, select **Accrual Rates** and click **Add**.
   - In the **Time Off Type** drop-down list, select **Vacation**.
   - Enter the **Start Date**, **Rate**, **Unit**, and **Period**, then click **Ok**.

6. To enter vacation leave already taken:
    - In the **Time Off Totals** grid, select **Time Taken**, then click **Add**.
    - In the **Time Off Type** drop-down list, select **Vacation**.
    - Enter the **Start Date**, **Rate**, and **Unit**, then click **Ok**.

Carrying Over Employee Vacation and Sick Time

An employee is allotted a specific amount of vacation and sick time per year. Each organization decides how many unused hours employees may carry over at the end of the year. You can allow employees to carry over all unused vacation and sick hours, or you can set a limit.

The ACS Payroll module tracks the time carried over and the current year time separately. You must also add the hours carried over to the employee's record. You can set a maximum limit for the hours carried over that is separate from the limit you set for the hours in the current year.

> **Note**
>
> Unused vacation and sick hours are not automatically carried over to the new year. You must update this information manually.

To add carry over vacation time to an employee's record

1. Under Manage Records, in the **Enter Name** field, enter the individual's last name.
2. Press ENTER.
3. If necessary, select the correct record in the Find Individual window, then click **Use Selected**. If multiple records exist, select the correct record type in the list, then click **OK**.
4. Click on the **Time Off** tab.
5. In the Time Off Totals grid, under **Type**, select **Vacation**.
6. Click **Edit**.
7. Under **Vacation Hours**, enter the number of unused vacation hours that the employee is allowed to carry over in the **Carry Over** field.
8. **Optional:** To set a maximum number of vacation hours that the employee can carry over, enter the maximum number of hours in the **Carry Over** field in the **Max** column.
9. Click **OK**.

To add carry over sick time to an employee's record

1. Under Manage Records, in the **Enter Name** field, enter the individual's last name.
2. Press ENTER.
3. If necessary, select the correct record in the Find Individual window, then click **Use Selected**. If multiple records exist for the individual, select the correct record type in the list, then click **OK**.
4. Click on the **Time Off** tab.
5. In the Time Off Totals grid, under **Type**, select **Sick**.
6. Click **Edit**.
7. Under **Sick Hours**, enter the number of sick hours that the employee is allowed to carry over in the **Carry Over** field.
8. **Optional:** To set a maximum number of sick hours that the employee can carry over, enter the maximum number of hours in the **Carry Over** field in the **Max** column.

9. Click **OK**.

Working with Bonus Checks in ACS Payroll

When working with bonus checks in ACS Payroll, you should consider several factors. Is the bonus being charged to one account or to different expense accounts? Is it a separate check just for the bonus amount or is it included in a regular pay check? Do you plan to withhold taxes from the bonus?

In ACS, you can add an adjustment for bonus checks and print a separate bonus check, or you can add a cost center and pay type for bonus checks, attach them to an employee's record, and print a payroll check combined with the bonus.

To add an adjustment and print separate bonus checks

The first step is to add an adjustment in Payroll Define Lists. Then, you can select the adjustment and print bonus checks.

To add an adjustment for bonus checks

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Adjustments**, then click **Add**.
4. Enter the **Adjustment Code** and, in the drop-down list, select **Addition**.
5. Enter an adjustment **Description**. For example, Christmas Bonus.
6. Enter or select the appropriate **Debit Account**.
7. Under **For Period**, select **Period 6**, since this adjustment is used only once a year.
8. Under **Tax Flags**, check the appropriate tax and workers compensation checkboxes.
9. Select or enter the Calculation Details:
    - **Amount** — Select if the adjustment is a dollar amount.
    - **Percentage** — Select if the adjustment is a percentage.
    - **Period** — Select if the amount is adjusted from the employee's total wages.
    - **Hour** — Select if the amount is adjusted from the employee's hourly wages.
    - **Global Amount** — Enter an amount if it applies for everyone who receives the adjustment.
    - **Global Limit** — Enter a limit if it applies to everyone who receives the adjustment.
10. Click OK.

To print a separate bonus check

1. Under Manage Records, click the **Transactions** tab.
2. In the drop-down list, select **Payroll Checks** and click **Go** .
3. Click **Preview/Issue Checks**, then click **Issue Checks**.
4. Select the **Bank** you want to issue the check from.
5. In the **Employee** field, enter the employee's name or click **Lookup** to select the employee.
6. In the **Pay Period** list, select **6**.

7. To print for this entry, do not enter a check number in the **Chk. No.** (Check Number) field. If you only want to post the entry to the General Ledger, enter the correct check number. Then, select the appropriate **Check Date**.
8. In the **Prd Start** (Period Start) and Prd End (Period End) fields, enter the pay period's starting and ending dates.
9. In the **Wages** section, the default wage amounts display for the selected employee. Delete the wage amounts that you do not want to include with the bonus by selecting the pay line and clicking **Delete**. This does not delete wages from records, but it deletes them from the pay run.
    - For exempt employees, double-click on the bonus **Pay type**, and enter the desired Christmas Bonus amount in the Wages section.
    - For hourly employees, double-click on the bonus **Pay Type** and enter 1 hour if the hourly amount displays the desired bonus amount.
10. In the **Adjustments** section, default adjustments display for the selected employee. To delete the adjustments that you do not want to include, select the adjustment and click **Delete**.
11. In the **Taxes** section, edit or delete taxes if desired by clicking into the desired tax field. Some tax fields may be unavailable if the selected employee is exempt from a specific tax or if no tax table is defined on the employee record. Do not edit these amounts until you have defined all wage and adjustment amounts.

    > **Note**
    >
    > If you edit the FICA and Medicare tax on the bonus check (or any other pay check), the calculations on the 941 will not match the ACS Liability report. The 941 (line 6 and 7) calculates the FICA and Medicare tax based on the FICA and Medicare taxable wage. On the 941, line 6 multiplies the FICA wage (box 3 on the W-2) by 12.4% and line 7 multiplies the Medicare wage (box 5 on the W-2) by 2.9%. If the FICA/Medicare taxes are changed on a pay check, the top portion of the 941 will calculate what should have been withheld, but the ACS Liability report shows what taxes were actually withheld.

12. To save the current check, click **OK**. The Issue Check window displays again.
13. To issue additional checks, click **New**, or click **Close** to close the Issue Check window and preview your checks.

To add a cost center and pay type, attach them to records, and print a combined check

In Define Lists, add a new cost center and pay type for the bonus. Then, attach them to your employees' records, and print the check as a part of your check run.

To add a cost center for bonus checks

1. Under Advanced Tools, click the **Define Lists** tab.

2. In the drop-down list, select **Payroll** and click **Go** .
3. Select **Cost Centers**, then click **Add**.
4. Enter a cost center Code and Description (For example, Christmas Bonus).
5. Enter the **Expense Account** number or click **Lookup** to select an account. The Expense Account is the account to which bonuses are charged to in General Ledger.
6. Enter the **Checking Account** number or click **Lookup** to select a checking account.
7. On the **Tax Accounts** tab, accept the default account codes or change them to the correct codes. The system defaults to the last set of account codes entered.
8. Click **OK**.

To add a bonus pay type

1. Under Advanced Tools, click the **Define Lists** tab.
2. In the drop-down list, select **Payroll** and click **Go** .
3. Under **Available Lists**, select **Pay Types**, then click **Add**.
4. Enter a pay type **Code** and **Description** (For example, Christmas Bonus). Pay Type descriptions print on employee check stubs.
5. For each applicable tax field on the table, indicate whether or not each field is taxable or non-taxable. Enter **Y** for taxable or an **N** for non-taxable.
6. When finished, click **Close**.

To attach the cost center and pay type to the employee's record

1. Under Manage Records, click the **Records** tab.
2. In the drop-down list, select **Add/Edit Employees**, then click **Go** .
3. Select the employee's record and click **Edit**.
4. On the **Pay** tab, click **Add**.
5. In the **Pay Type** field, enter the pay type or click **Lookup** to select it.
6. In the **Cost Center** field, enter the cost center or click **Lookup** to select it.
7. If the employee is salaried, then select **Salaried** and change the gross to zero. If the employee is hourly, select **Hourly**, enter the number of hours as 0 and enter the hourly rate to equal the Christmas Bonus amount.
8. Click **OK**.

To print a payroll check combined with the bonus

1. Enter Time Sheets.
2. Print the Time Sheet Journal report.
3. Process and print the Payroll Journal report.
4. Preview checks, if desired.
5. Print Payroll checks (and direct deposit stubs, if applicable).
6. If using the Direct Deposit Feature, create an ACH File.
7. Print the Check Register Journal report.

8. Post Payroll to the General Ledger.

> **Note**
>
> If you want a separate check, you can issue a check through Issue Checks.