Infor Distribution FACTS 7.9.0 Payroll Users Guide

Contents

About this guide

This guide describes workflow, concepts and procedures for using Infor Distribution FACTS Payroll Module.

Intended audience

This guide is for Infor Distribution FACTS as end users, managers, in-house analysts, and trainers who require an understanding of the product and how to use it.

Related documents

You can find the documents in the product documentation section of Infor365, as described in "Contacting Infor" on page 5.

For information about other Infor Distribution FACTS modules or basic usage information, see the other users guides in the FACTS PDF Library. Access these documents from the bookmarks of this document: FACTSDocNavigation.pdf.

Contacting Infor

If you have questions about Infor products, go to InforXtreme Online Support at http://www.inforxtreme.com.

If we update this document after the product release, we will post the new version on InforXtreme. We recommend that you check this Web site periodically for updated documentation.

If you have comments about Infor documentation, contact documentation@infor.com.

Chapter 1 Overview

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Payroll System Overview

The Payroll system is an optional module that provides the Infor Distribution FACTS user all the tools necessary to generate and maintain payroll for their employees. The system maintains up to 24 periods of employee history.

Payroll data can be segregated by departments and/or branches for reporting and posting. The system provides W-2 information electronically or on preprinted forms. Manual and system checks can be maintained. The system also stores every paycheck for each employee, along with monthly, quarterly and yearly summaries. Interaction with the General Ledger is automatic and great flexibility is available through the use of GL posting tables.

The Payroll menu is composed of the following subsystems or menus:

Check Preparation	Here employees are assigned to pay cycles (weekly, monthly, etc.), where their earnings distribution may be set up (GL purposes) and their deduction balances (loan balances) are entered. Once this is done a payroll may be run by setting the standard hours and earnings for the pay cycle, making exceptions to those standards and then checking the final list before printing checks.
Check Writing	Using the Check Writing module you can create three types of checks in the payroll system: printed (regular) checks, manual checks and void checks.
Inquiries	The inquiry menu allows users to display specific employee information by employee number of perform a search. General or detail information may be displayed for each employee.
Reports	Most payroll reports have the option of printing in employee number, alphabetic, branch or employee class order. In addition to the order, you may then choose the range to be printed. For example, if the order chosen is branch, the beginning and ending branch is then asked for.
End-of-Period	The end-of-period menu contains programs which should be run at the end of each month, period and year to close them correctly and acquire the information needed to report to the government. (Please refer to the normal procedures section.)

File maintenances	These programs allow the user to enter, change and delete data. Some file maintenance programs will be used often while others will be used infrequently. These Infrequent File maintenances are used mainly during the initial installation of the payroll system.

There are a number of steps that must be taken to set up the Payroll module. The following fields are a sampling of the fields that must be set up: Up to 12 earnings codes may be used to represent regular earnings, overtime earnings, vacation earnings, etc. Earnings codes may be set up for hourly rates, such as regular overtime and double-time or for non-hourly rates, such as bonuses and commissions. Up to 6 Deductions Codes may be used to represent any deductions taken out of earnings, such as Federal, FICA, State, Local, and 2 additional miscellaneous tax codes. There may be up to 10 other deductions after taxes, such as insurance or 401K. The other deductions may work up to a balance, for example loans or advances. Pay Cycles determine how often a payroll is run, for example weekly, biweekly, semimonthly or monthly and the average number of hours worked per payroll.

Once the earnings, deductions, and pay cycles are defined, employees are set up. Employees are set up through the Employee F/M program setting parameters which determine how the system is to process transactions for each employee. Employee information is stored and available to be printed on a report or to be displayed on the screen by an inquiry. Throughout the Payroll system, whenever an employee's number must be entered, the user has the ability to search for the employee through an alpha lookup. The search capability relieves the user of having to remember employee numbers.

New Employee Checklist

Employee File Maintenance - add the employee to the system.

Employee Pay Cycle File Maintenance - add the employee to the appropriate pay cycle(s). For example, a company may have a weekly pay cycle for hourly employees, a semi-monthly pay cycle for salaried employees, a monthly pay cycle for salespeople and a bonus pay cycle. One employee may be set up in as many pay cycles as needed.

Earnings Distribution File Maintenance - (optional) distributes earnings between the appropriate General Ledger accounts entered from the Salaries G/L#

Employee Deduction Balance File Maintenance - (optional) if the employee has a loan that they are paying off through payroll, enter the amount of the loan balance. Deduction codes may be flagged as to whether they work to a balance, e.g., loan or advance. Balances are set up if an employee has an outstanding balance. The deduction code indicates the amount to deduct from each pay check and as the deduction is used, the deduction balance is reduced. Once the balance reaches zero, the deduction is no longer taken.

Employee Maximum Hours File Maintenance - enter the maximum hours allowed for the rest of the year for the employee earning codes maintained. Example: If the employee starts in the middle of the year and therefore, only has 40 hours (1 week) of vacation time (or sick time) remaining to be earned, enter 40 hours now. Prior to running the first payroll for next year, change the maximum hours to what this employee would normally earn.

When ready to process the first pay cycle, the user runs the Initialize Pay Cycle program. This program sets all the standard earnings and deductions for each employee into a working file. Changes to standard wages can be made through the Earnings Exception Entry and programs.

The Pre-Check Edit List provides a detailed printout of the hours worked, wages earned, and the gross and net amounts of the check for each employee. The user may then enter additional changes and run the Edit List as often as needed until the payroll is correct.

Printed, manual, and voided checks may be used in the Payroll system. Each type of check is updated by the Check Register program. The Check Register provides an audit trail of all checks and updates all appropriate files.

The Employee Inquiry program provides general information, past history by period, check history by check, pay cycle information, deduction balances, maximum hours tracking and period, quarter and year-to-date history for each employee. Employee notes may also be entered in the inquiry program.

All payroll reports have the option of printing in employee number, alpha, branch or employee class order. In addition to the order, the user may choose the range to be printed. For example, the Employee Listing may be printed in alphabetical order. There is a wide variety of reports which print all available information stored in the Payroll system. The following Payroll reports are available:

The Employee Listing prints a list of employees. Either general or pay cycle information may be printed in either summary or detail form. Active or terminated employees may also be selected.

The Check History Report prints a report of check history within selected dates, in summary, checklist, breakdown or check detail form.

The Employee Maximum Hours Report lists for each employee the maximum hours available, hours used, and hours remaining for any hourly earnings code selected to have maximum hours tracking.

The Earnings % Distribution Report prints a list of the general ledger account numbers for each employee with earnings % distribution and the % of the employees earnings distributed to each account number.

The Employee Period History Report prints a list of each employees hours, earnings and deductions by period in summary or detail for the periods selected.

The Matching Deduction Report prints by deduction code for the period selected, the deduction amount and employer matching deduction amount.

The Worker's Compensation Report prints for each tax type the rate (%) of contribution paid by the employer along with the earnings contribution, in either summary or detail form.

The Employee Label Print program prints up to 99 labels to print per employee and may be sorted by zip code.

The Employee Notes Print program prints the notes for any employees in the employee notes file.

The PR Code List prints a list of the various PR codes: employee classes, departments, earnings, deductions, tax districts, earnings GL posting tables and deductions GL posting tables. The information stored with these codes is also printed.

Payroll is closed out at the end of each period, quarter, and year. Reports on the End-of-Period menu include a Period Earnings/Deductions Report, a Period GL Distribution, a Period Check Register, an Unemployment Report (for any tax district), a 941 Print, and a 945 Print. The End-of-Period Update zeros out the appropriate information for the period being closed so that the next period's information can be accumulated.

The Payroll system provides a W-2 capture for the end of year processing, so that new payroll year processing can take place even though W-2's may not be printed yet. The system also provides for magnetic media reporting on floppies or on tape.

Posting to General Ledger

Transactions from Payroll may automatically post to General Ledger. The PR Static Control F/M contains flags, which determine how to post PR transactions to General Ledger.

Through the GL distribution flag the user determines the detail of the journal entries posted. The flag may be set to one of the following: 0-indicating no GL distribution is printed or posted; 1-indicating the GL distribution is printed (printing is in detail format) but not posted to GL; 2-indicating the GL distribution is printed (printing is in detail format) and posted to GL in summary (posting includes the total amount posted to each account number); or 3-indicating the GL distribution is printed (printing is in detail format) and posted to GL in detail (posting includes each item contributing to the amount for each account number).

Through the posting journal the user determines which GL journal (where in the general ledger journal file) to post transactions.

There are standard entries made to general ledger when posting payroll. For example when an employee is written a payroll check, one debits salaries and credits cash. The user must set up where these standard GL account numbers used are and where they will come from.

The Payroll transactions are posted to General Ledger by the Payroll Check Register update. The standard account numbers posted are determined by the earnings and deductions GL posting tables. Users establish their own set of valid earnings and deductions GL posting tables. Each employee by pay cycle is assigned to an earnings and deductions GL posting table which determines the correct GL account numbers to post to when posting earnings and deductions to general ledger for that employee/pay cycle.

Earnings GL Posting Tables

Payroll earnings can post to the GL according to the type of payroll employee. Separate posting tables would be set up for each type of employee.

Example 1 - Multiple Earning GL Posting Tables

ADM - Administrative Salaries   SLS - Sales Salaries

Reg 570-01-00 Adm Salaries-Reg Reg 580-01-00 Sls Salaries-Regr

Sick 571-01-00 Adm Salaries-Sck Sick 581-01-00 Sls Salaries-Sick

Vac 572-01-00 Adm Salaries-Vac Vac 582-01-00 Sls Salaries-Vac

Ovt 573-01-00 Adm Salaries-Ovt Ovt 583-01-00 Sls Salaries-Ovt

Hol1 574-01-00 Adm Salaries-Reg Hol1 584-01-00 Sls Salaries-Reg

Hol2 575-01-00 Adm Salaries-Reg Hol2 585-01-00 Sls Salaries-Reg

Com 576-01-00 Adm Salaries-Comm Com 586-01-00 Sls Salaries-Comm

The administrative employee earns: The sales employee earns:

Regular $1000.00   Regular $ 500.00

Sick $ 500.00   Sick $ 100.00

Overtime $ 250.00   Commission $1500.00

The system uses the GL table to distribute the earnings as follows:

		DEBIT
570-01-00	Adm Salaries - Regular	$1000.00
580-01-00	Sls Salaries - Regular	500.00
571-01-00	Adm Salaries - Sick	500.00
581-01-00	Sls Salaries - Sick	100.00
573-01-00	Adm Salaries - Overtime	250.00
586-01-00	Sls Salaries - Commission	1500.00

Example 2 - Earning and Deduction GL Tables

 Employee earnings consists of: Employee deductions consists of:

Regular $2000.00 Federal $100

Sick $ 500.00 FICA $ 50

Overtime $ 250.00 State $ 25

   Insurance $ 10

   401K $ 30

   Net Check $2535

The GL distribution posts as follows:

		DEBIT	CREDIT
*	Cash		$2535.00
**	Salaries	$2000.00	
**	Salaries – Sick Pay	500.00	
**	Salaries – Overtime	250.00	
**	Federal Taxes		100.00
**	Fica Employee		50.00
**	FICA Employer Expense	50.00	
**	FICA Employer Payable		50.00
**	State Taxes		25.00
**	Insurance		10.00
**	401K Employee		30.00
**	401K Employer Expense	15.00	
**	401K Employer Payable		15.00
		$2815.00	$2815.00

* = G/L # assigned to bank printing checks.

** = G/L # assigned to employee GL deductions posting table, =.

Deductions GL Posting Tables

Example 3 - Deduction GL Posting Tables

In our example, all employees, regardless of department, are assigned to the same deductions GL posting table.

STD - Standard Table   Matching Expense GL#

FICA 333-00-00 Fica Taxes Employee Fica 340-00-00 Fica Taxes Employer

Fedl 331-00-00 Federal Taxes   401K 341-00-00 401K Employer

Stat 332-00-00 State Taxes

Locl 333-00-00 Local Taxes

Ins 335-00-00 Insurance

Dntl 336-00-00 Dental

401K 337-00-00 401K Employee

Advc 338-00-00 Advance

Employee earnings consists of: Employee deductions consists of:

Regular $2000.00 Federal $100

Sick $ 500.00 FICA $ 50

Overtime $ 250.00 State $ 25

    Insurance $ 10

    401K $ 30

    Net Check $2535

The GL distribution posts as follows:

		DEBIT	CREDIT
*	Cash		$2535.00
**	Salaries	$2000.00	
**	Salaries – Sick Pay	500.00	
**	Salaries – Overtime	250.00	
**	Federal Taxes		100.00
**	Fica Employee		50.00
**	FICA Employer Expense	50.00	
**	FICA Employer Payable		50.00
**	State Taxes		25.00
**	Insurance		10.00
**	401K Employee		30.00
**	401K Employer Expense	15.00	

**	401K Employer Payable		15.00
		$2815.00	$2815.00

* = G/L # assigned to bank printing checks.

** = G/L # assigned to employee GL deductions posting table, =.

Earnings Distribution

Through the PR Static Control F/M, the user sets the Use Earnings Distribution flag to indicate if the earnings % distribution feature is used. If set to Y, the earnings percent distribution file is active and the Earnings % Distribution F/M program is available. If the system uses earnings distribution by %, and employees have earnings % distribution records, then it takes precedence over their earnings GL posting table during posting.

Example 4 - Earnings Distribution

An employee is assigned to the following earnings GL posting table:

ADM - Administrative Salaries

Reg 570-01-00 Adm Salaries-Regular

Sick 571-01-00 Adm Salaries-Sick

Vac 572-01-00 Adm Salaries-Vacation

Ovt 573-01-00 Adm Salaries-Overtime

Hol1 574-01-00 Adm Salaries-Regular

Hol2 575-01-00 Adm Salaries-Regular

Com 576-01-00 Adm Salaries-Commissions

The employee earns the following:

Regular $1000.00

   $1000.00

If the Use Earnings Distribution flag is set to N, the system uses the GL table to distribute the earnings as follows:

   Debit

570-00-00 Salaries-Regular 1000.00

If the Use Earnings Distribution flag is set to Y, the system uses the earnings % distribution from the Earnings % Distribution F/M program.

The employee earns 50% from Branch 1 and 50% from Branch 2.

The system distributes the earnings as follows:

Debit

575-00-01 Salaries-Reg Br 1   500.00

575-00-02 Salaries-Reg Br 2   500.00

Post Unemployment

Through the PR Static Control F/M the user sets the post unemployment flag to indicate if the unemployment insurance (or tax) is to post to general ledger. If Y is entered, the system posts the unemployment debit and credit amounts to general ledger based on the tax districts. The Check Register GL distribution prints the unemployment GL information before posting occurs.

NOTE: If you are posting unemployment to GL, the system does not automatically post taxes payable to the accounts payable system. Therefore, the unemployment debit may be set up as the AP expense account (example, payroll tax expense) and the unemployment credit may be set up as the liability which becomes a zero-balance account when the taxes are entered in AP.

Example 5 - Posting Taxes Payable

		DEBIT	CREDIT
PR posting:			
	Payroll Tax Expense	100.00	
	Payroll Tax Liability		100.00
AR posting:			
	Payroll Tax Liability	100.00	
	Accounts Payable		100.00

Post Worker's Compensation

Through the PR Static Control F/M the user sets the Post Worker's Comp flag to indicate whether to post worker's compensation to general ledger. If Y is entered, the system posts the worker's compensation accrual and expense amounts to general ledger based on the employees' worker's compensation code (Worker's Comp F/M). The Check Register GL distribution prints the worker's compensation GL information before posting occurs.

NOTE: Each employee may be assigned to a branch through the Employee F/M, however, the branch may not automatically post to General Ledger. Earnings and deductions GL

posting tables must be set up with branch already inserted (if applicable) to post to General Ledger.

If Posting To Job Cost From Payroll

During the Earnings Exception Entry program the user may post the earnings to a job number to post to Job Cost. If job cost information is entered the debit (expense) account number comes from one of two places. If the Post Work-in-Process flag is set to Y in the JC to GL Posting F/M program, the debit account number is a work-in-process account number. Depending on the Basis flag set in this record for work-in-process, the default number is used or the work-in-process account number is assigned to the cost type for the GL posting table assigned to the job. If the post Work-in-Process flag is set to N in the JC to GL Posting F/M program, the expense account number is the standard earnings G/L # posted (same as if Job Cost is not used).

The Check Register GL distribution posts to GL as follows:

DEBIT	CREDIT
Work in Process or Adjustment	Cash

The work-in-process or expense GL number also posts into the Job Cost Job Posting Entry file. The Job Posting Register is then run which updates the WIP or expense GL number to the Job Cost transaction file. This transaction file is used for billing purposes.

Once billing takes place, the JC Invoice Register is printed along with the Invoice Register GL distribution.

The GL distribution posts as follows:

DEBIT	CREDIT
Accounts Receivable	Sales
	Tax
	Freight
Cost of Sales	WIP or Expense

The WIP or expense GL number was originally debited in Payroll and in Job Cost is credited. This means the WIP or Expense number is a wash account with the amount posting to the Cost of Sales GL account number.

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Payroll Work Flow

Check Preparation Work Flow

Here employees are assigned to pay cycles (weekly, monthly, etc.), where their earnings distribution may be set up (GL purposes) and their deduction balances (loan balances) are entered. Once this is done a payroll may be run by setting the standard hours and earnings for the pay cycle, making exceptions to those standards and then checking the final list before printing checks.

The three file maintenance programs are the final procedures before running a payroll. The Employee Pay Cycle F/M is used to assign employees to their pay cycles. For example, John Smith might be a weekly salaried employee (base) as well as a commissioned salesperson (commission). Therefore, he will be set up in the weekly pay cycle where he has standard earnings and standard taxes and deductions are taken out as well as the commission pay cycle where only taxes are deducted. If his earnings are to be distributed to various GL account numbers (other than by department) they will be set up in the Earnings % Distribution F/M. If he has any deduction balances (i.e., loan balances) they are to be set up in the Employee Deduction Balance F/M. Once these three steps are taken a payroll may be run.

The first step to running a payroll is to initialize a pay cycle using Initialize Pa y Cycle (PRU110). The initialization will set up each employee's standard earnings, taxes and deductions in a work file (i.e., the hours and earnings/deductions entry file). Each employee's standard pay is determined by several factors including information in the employee pay cycle data file and information in the deduction balance file. The Initialize Pay Cycle program builds the hours and earnings/deductions entry file based on information in the employee pay cycle data and deduction balance files. Once this program has been run, a standard payroll has been created. Any changes to the standard payroll may be entered through the Deductions Exception or Earnings Exception Entry programs. A payroll is reviewed before checks are printed by running the Pre-Check Edit List. Pay cycles may be reinitialized up until checks are printed. If records for the chosen pay cycle already exist in the payroll check file, i.e., checks have been printed, the program is inaccessible. In those cases, checks must be printed for the current information and the Check Register must be updated. When a pay cycle is reinitialized, all changes made to deductions through the Deductions Exception Entry

program and all changes made to earnings through the Earnings Exception Entry program are lost. Each time a pay cycle is (re)initialized, only the standard earnings and deductions from the employee's pay cycle file are created (in the two work files).

Then you may use the Exception Entry (PRE120) program to make exceptions (changes) to any employee's standard earnings. Employees are paid based on the information created by the Initialize Pay Cycle program. If a pay check should differ from the standard amount, an exception entry must be made. Exceptions to deductions are entered through the Deductions Exception Entry program. Exceptions to earnings are entered through the Earnings Exception Entry (this program). These exceptions override the standard for the current payroll only. For example, if time is to be posted to sick or vacation time, an exception entry must be made for that time AND to reduce the number of regular hours worked. The user may change earnings information in this program. To review the earnings entered, the user may run the Earnings List. Once all exceptions (earnings and deductions) are entered, the Pre-Check Edit List program should be run to calculate check amounts and provide the user with a tool for reviewing prior to printing checks.

Use the Deductions Exception Entry program to make exceptions to taxes and deductions. Employees are paid based on the information created by the Initialize Pay Cycle program. If a pay check should differ from the standard amount, an exception entry must be made. Exceptions to earnings are entered through the Earnings Exception Entry program. Exceptions to deductions are entered through the Deductions Exception Entry (this program). These exceptions override the standard for current payroll only. For example, if a deduction is requested for one pay cycle, an entry must be made in this program. The user may change taxes and/or other deduction information in this program. An inquiry is provided to show hours, earnings, deductions, and net pay (check amount). Once all exceptions (earnings and deductions) are entered, the Pre-Check Edit List program should be run to calculate check amounts and provide the user with a tool for reviewing checks prior to actually printing them.

The Earnings List prints employee earnings information for a specific pay cycle. Earnings are initially set by the Initialize Pay Cycle program which sets earnings to the standard entered in the Employee Pay Cycle F/M program. Changes to the standard earnings are entered through the Earnings Exception Entry program. The user has the option to:

• Select the print order - employee, alpha, branch or employee class.

• Select beginning and ending order choice.

• Select department to print

• Select pay cycle to print.

• Select earnings code(s) to print.

• Select job # to print.

The Pre-check Edit List is used to print a listing (edit list) of what each employee's check will look like. Users can make corrections in the Exception Entry and/or Deductions Exception Entry programs and reprint the Edit List as often as needed until the list is finalized. Once checks have been printed, no more changes may be made. The Pre-Check Edit List Program should be run after the pay cycle has been initialized and any necessary exceptions have been entered (through the Deductions Exception Entry and Earnings Exception Entry Programs). The Check Print program calculates check amounts based on information

created through the Pre-Check Edit List. Therefore, if additional exception entries are made after printing the edit list, the Pre-Check Edit List must be reprinted to reflect those changes.

The user has the option to:

• Select the pay cycle to print.

• Include department totals.

• Print summary or detail information.

The first part of this program calculates check amounts based on information created through the Initialize Pay Cycle and exception entry programs. The tax tables, deductions balances and employee history files are also used to calculate deductions amounts.

Reports information includes the following:

Summary: For each employee, employee number, name, regular and premium hours and earnings, tax and other deductions and net pay amount.

Detail: For each employee, hours and earnings amounts for each category by department, tax and other deductions amounts and net pay. Department Recap: total hours and earnings for each category by department, total tax and other deductions report totals and total net pay.

Employee and report totals are printed. The total number of employees listed is also included.

Check Writing Work Flow

There are three types of checks in the payroll system: printed (regular) checks, manual checks and void checks.

The Check Print program is used to print checks which are generated from the Pre-Check Edit list program. When the user is satisfied with the list and is ready to have checks printed, the user will use the Check Print program. One check will print for each employee in the pay cycle and checks may only be printed for one pay cycle at a time. This program builds the check print file according to information in the edit file. The edit file is created by the Pre-Check Edit List. The edit file includes all exception entries to standard earnings and deductions entered through the Deductions Exception Entry and Earnings Exception Entry programs. Checks are printed for one pay cycle at a time and may be reprinted as many times (if necessary) prior to the Check Register update. The Check Register must be updated for a pay cycle before the Initialize Pay Cycle program may be run for a new payroll.

The user has to option to:

• Select the pay cycle to print.

• Select the bank on which checks are written.

• Print a form alignment check.

• Enter the check date.

• Enter beginning check number.

• Void any unused check numbers.

• Reprint selected checks.

The Manual Check Entry is used to enter and record manual checks (written manually by the user) paying an individual employee separately from a standard payroll run. Manual checks are usually entered after the check has been written. The user enters the employee, pay cycle, earnings and deductions. The taxes may be calculated automatically. Manual check information appears on the next Check Register. Information from manual checks is posted to all applicable files during the optional Check Register update. Information about a manual check may be modified at any time prior to the Check Register update.

System generated (printed) and manual checks will not be updated until the Check Register has been run and updated. Checks may be reprinted and manual checks may be deleted or corrected until the time when the register is updated. If the register is incorrect the user may choose not to update it and may then print it again and update after corrections have been made. The program writes all checks to the bank transaction files and posts to the bank's GL account number and optionally updates the bank balance.

The optional update following the register updates all necessary files. The records are written to SMTRNH file with a status of "C" for complete; all check information such as check number, payee and register number is stored.

This register is an audit trail of all hours, earnings, taxes and other deductions and should be printed, verified and updated each time a pay cycle is run. It may also be printed after field of manual or void checks. If the register is not printed directly after field of manual or void checks, the information appears on the next register with regular checks.

Information for the register comes from three programs - Check Print, Manual Check Entry and Void Check Entry.

The user has the option to:

• Print a listing of all checks.

• Select check types (regular and/or manual and void).

• Build and print a general ledger distribution, if needed.

• Post to general ledger, if a general ledger distribution is built.

Update the check history, employee history, department history, employee past history earnings and deductions files.

Update the monthly GL distribution and check file.

Update the maximum hours, deduction balances, bank transaction files and the appropriate control records.

Register information includes the following:

Register: For each employee, employee number, name, check number, department, regular and premium hours and earnings, taxes and other deductions and net pay. Regular, manual, void and register totals are printed. The total number of checks listed are also included.

Detail recap: For each employee, hours and earnings amounts for each category, tax and other deductions amounts for each category and net pay. Employee and report hours, earnings, taxes and other deductions totals are printed.

Tax recap: For each tax type, tax code and description, amount, matching, total, unemployment earnings, taxable and tax and tax type totals.

Deduction recap: For each deduction, deduction code, description, amount, matching and total. Deduction totals are also included.

The Void Check Entry program is used to void out printed or manual checks which have already been updated by the Check Register. The user enters the check number, pay cycle, employee, etc. Void checks are not updated until the Check Register is updated at which point the earnings, taxes and deductions will be subtracted from the employees' history files. The Void Check Entry program is very similar to the Manual Check Entry. However, when entering a void check, all hours, earnings and deductions are displayed as negative numbers. Void check information appears on the next Check Register. Information from void checks are posted to all applicable files during the optional Check Register update. Void check information may be modified at any time prior to the Check Register update.

Inquiries Work Flow

The inquiry menu allows users to display specific employee information by employee number of perform a search. General or detail information may be displayed for each employee.

The Employee Inquiry provides the following: general information (address, hire date, etc.), code information (employee class, etc.), period-to-date, quarter-to-date and year-to-date information (earnings, taxes, deductions), check history (check number, date, etc.), pay cycle information (pay cycle, department, gross pay, etc.), earnings distribution information (%), deduction balances, maximum hour information (available, etc.), and employee notes (created through this program).

End of Year Processing

The end-of-year processing menu provides the user with a way to save W-2 information before year-end so that W-2s may be printed after the year has been closed. This allows users to begin processing in the new year without having to print W-2s. Users may then print and verify W-2 information in January after the rush of the year-end close-out.

After all year-end reports have been run (see end-of-period menu), the user may run the W-2 Information Capture program. This program saves the W-2 information for the year being closed in a separate file so that processing may begin in the new year.

Any time after this program has been run (before or after year-end close-out), the user may modify what is to print on the W-2s through the W-2 Capture F/M program. This program allows the user to manually modify field information that is printed on the W-2s. The information in this file is captured automatically by the W-2 Information Capture program. Modification may be necessary because the W-2 Information Capture program will not capture the social security tips, allocated tips, non-qualified plans, dependent care benefits, or codes A, B, C, M, N or P of box 12. The user must manually enter these fields through this

program if these fields need to be printed on the W-2. New records may not be added to this program. The user may only modify existing records created through the W-2 Information Capture program.

The user may run the W-2 Print program to provide employees with W-2 forms for tax purposes. Although the report may be printed at any time (as long as the capture W-2 information program has been run, prior to printing), report information is incomplete until the last payroll of the year is run and the Check Register updated. The W-2 capture must be run before the end-of-period (year) update so that the W-2s may print. One form is printed for each employee and each of the employee's state and local codes. W-2 forms are printed in alphabetical order. The W-2 print allows the W-2s to be printed in alpha sort order, as the IRS prefers. Since this is the preferred method, the default print order is alpha sort. When printing W-2's, align the printer with box a. Control Number.

The W-2 Electronic File Update may also be run along with the W-2 Electronic File Report if magnetic tape reporting to the government is required. This program allows FACTS users to update information for electronic files. The Social Security Administration now requires that companies with more than 250 employees submit W-2 information in electronic files. The electronic file update takes information from the W-2 control records and the W-2 information and employee files, and creates an indexed file in the format required by the SSA. The user is responsible for transferring information to electronic files. If you have any questions on the information required, please contact your local Social Security Administration.

Reports Work Flow

Most payroll reports have the option of printing in employee number, alphabetic, branch or employee class order. In addition to the order, you may then choose the range to be printed. For example, if the order chosen is branch, the beginning and ending branch is then asked for.

Most payroll reports also allow the user to select the pay cycle(s) and department to print such that only the information concerning the selected pay cycle(s) and department.

1. The Employee Listing prints a list of employees. Either general or pay cycle information may be printed in either summary or detail form. Active or terminated employees may also be selected. Run this program before you run the Payroll Check Register.

2. The Check History Report prints a report of check history within selected dates, in summary, detail or check detail form. Check history is stored in detail by check and is updated by the Check Register. Check history records (checks) may be removed by the Clear Check History program at any time.

3. The Employee Maximum Hours Report shows for each employee the maximum hours available, hours used, and hours remaining for any hourly earnings code selected to have maximum hours tracking. Users determine which hourly earnings codes are maximum codes (example, sick or vacation where employees can only be paid so much per year). Users also set up for each employee, at the beginning of a year, the maximum hours allowable per employee. This report prints the status of maximum hours at any time.

Report information includes the following: employee number, name and for each selected hourly earnings code, the yearly available hours, hours used and hours remaining. The total number of employees listed is also included.

4. The Earnings % Distribution Report prints a list of the general ledger account numbers for each employee with earnings % distribution and the % of the employees earnings distributed to that account number. You can use this program to print a report of the general ledger account numbers for employees with earnings % distribution records. The report is only available if the use earnings distribution flag is set to Y through the PR static control record. Report information includes the following: employee number, name, pay cycle, each general ledger account number and description used by that employee and the % of the earnings distributed to that account number. The total number of employees listed is also included.

5. The Employee Period History Report prints a list of each employee's hours, earnings and deductions by period in summary or detail for the periods selected. Report information includes the following:

- Summary: employee number, name, for each period, period, state, locality, amount, premium and regular hours and earnings, taxes and other deductions. Employee and report totals are printed.
- Detail: employee number, name, for each period, period, state, locality and hours earnings, taxes, other deductions and matching for each category (code). Period, employee and report totals are listed.

The total number of employees listed is also included.

6. The Matching Deduction Report prints by deduction code for the period selected, the deduction amount and employer matching deduction amount. Report information includes the following: deduction code, description and the ending date of the period, quarter or year. Also included are the employee number, name and social security number, the period, quarterly, or yearly employee gross earnings, the amount contributed by the employee, the percentage of gross contributed by the employee, the amount contributed by the employer, the percentage of gross contributed by the employer, the total-dollar amount contributed by both, and the percentage of gross that the total contribution by both represents. Report totals are printed. The total number of employees listed is also included.

7. The Worker's Compensation Report prints for each state the rate (%) of contribution paid by the employer along with the earnings, in either summary or detail form. Report information includes the following:

- Summary: tax district code and description, worker's compensation code and description, rate of employer, earnings contribution and the premium to be paid of the selected periods. State and report totals of the total earnings of all selected periods are also included.
- Detail: summary plus the earnings and premium of each selected period. Also included among the state and report totals are the totals of the earnings and premium of each selected period.

The total number of tax districts (state, local, etc.) are also included.

8. The Employee Label Print program prints up to 99 labels to print per employee and may be sorted by zip code. Label information includes the following: employee name, address, city, state, zip code and either employee number or social security number or neither. The

program prints on 11-1/2 x 15-inch paper and prints four (4) labels across. For more information on the size of the labels, see the forms section of the Installation Guide.

9. The Employee Notes Print program prints the notes for any employees in the employee notes file. Employee notes are created and maintained through the Employee Inquiry program.

10. The PR Code List prints a list of the various PR codes: employee classes, departments, banks, earnings, deductions, tax districts, earnings GL groups and deductions GL groups. The information stored with these codes is also printed. Report information includes the following: employee number and name and all notes recorded for an employee. Each employee printed may begin on a new page. The total number of employees printed is also included. Report information includes each code and the information stored with the code. The total number of codes listed is also included.

File Maintenances Work Flow

File maintenance programs allow the user to enter, change and delete data. These programs are used to enter the initial data required to set up the system. (refer to Installation Manual).

The user can add, change and delete the records in a file. This is called maintaining the file. Some file maintenance programs may be used often (example - Employee F/M) where others are used less frequently. There is an Infrequent File Maintenances menu for the latter programs; most of these are used only one time during the initial set up of the system. However, the information in the infrequent file maintenances may be updated by the system. An example would be the Nonstatic Control F/M which keeps track of the payroll period, quarter, year, check register trace number and End-of-Period Update.

All files, once set up by the system are maintained and updated by the system.

Use Employee F/M (PRF910) to enter and maintain general employee information in the employee file. Prior to entering any information in this file, employee class and department records and worker's comp codes must be defined through the appropriate file maintenance programs. Each employee must be assigned an employee number. This number is used throughout the payroll system to identify the employee. Only employees entered into this file may receive payroll checks. Only terminated employees may be deleted. An employee record may not be deleted from this file if the employee has history information (for the period, quarter or year) on file. History information must be deleted at the end of the year after W-2 information has been captured, before deleting employees. A printout of this file information is available through the Employee Listing program. The information is also available for screen display through the Employee Inquiry program. After information is entered into this file, the user may enter employee pay cycle, employee history, employee notes, employee maximum hours, employee deduction balances, and earnings % distribution information (where applicable).

Use Employee History F/M (PRF915) to create and maintain records in the employee history file. Hour, earning and deduction historical information is stored in each of three time periods - period-to-date, quarter-to-date and year-to-date. It is filed by employee number, state and local designations. The user may enter information through this program during the initial set up of the payroll system. Thereafter, it is maintained by the Check Register update program.

Information from this file is used by the Period Earnings Report, Period Deductions Report, 941 Print, W-2 Print, and the Employee Inquiry programs.

Use Employee Period History F/M (PRF935) to create and maintain records in the employee period history file. This program is only available if the # Of History Periods Stored in the PR Static Control Record is set to 1-24. If the flag is set to 0, past employee history is not stored.

The file is updated by the Check Register update. The information is available for display through the Employee Inquiry program and the Employee Period History Report.

For more information how to use maintenances, refer to the following topics:

Use Employee Maximum Hours F/M (PRF920) to create and maintain records in the employee maximum hours available file. This file can be used to store employee's available yearly sick time, vacation, personal leave, etc. Through the Earnings Code F/M program, the user determines if maximum hours tracking is used for each hours codes. If the maximum hours tracking flag in the Earnings Code F/M for an earning is set to Y, the hours codes is included in the Employee Maximum Hours F/M (this program). The user has the option to field the number of hours available per year in each category for each employee. The number of hours used or worked in each category is updated in the employee history file through the Check Register update. Information in this file may be printed through the Employee Maximum Hours Report or displayed on the screen through the Employee Inquiry. If the Zero Max Hours At Year End flag is set to Y in the PR static control record, all hours are set to zero during the End-of-Period Update at the end of the year.

Use Unemployment History F/M (PRF925) to maintain unemployment history for the period, quarter and year by tax district and employee. Earnings are multiplied by the unemployment rate in the Tax District Information F/M for calculation of amount owed for unemployment to each tax district. This information is used to print the Unemployment Report.

Use Check History F/M (PRF930) to create and maintain records in the check history file. The user may enter information through this program during the initial set up of the payroll system. Thereafter, it is maintained by the Check Register update program. After the system is operational, this program should only be used to view the detail of any check. It should not be used to change information as the file's integrity could be damaged. To view an existing record, the user must enter the employee number, check date, check number and check type. Information in this file may be printed using the Check History Report program or viewed on the screen using the Employee Inquiry. Check history may be removed by the Clear Check History program at any time by the user.

Use Tax Table F/M (PRF9409) to create and maintain records in the Payroll Tax Tables File. Payroll taxes defined in this file are used by the system to calculate tax amounts on payroll checks. The taxes in these tables, except for FICA, should represent annual tax rates. By entering annual rates, the computer may calculate taxes, using a single table, for any pay period (weekly, monthly, etc.). Federal tax tables for married and single persons should be entered along with all applicable state, local and miscellaneous payroll tax tables.

NOTE: FICA is a special case and must be entered with certain restrictions in order to work correctly. These restrictions are:

- At the Tax Code field, FICA must be entered as FCA.
- At the Type field, FICA must be entered as X.
- At the Annualize field, N must be entered.

No changes should be made to this program for the new tax year until after the W-2 Information Capture (PRU820) is run for the previous year.

Infrequent File Maintenances Work Flow

Use Employee Class F/M (PRF950) to create and maintain employee class records. Employee classes may be used to group employees by type (office, management, warehouse), by location (main office, branch 1, etc.) or by any category determined by the user. Many of the payroll reports can be printed by class. This allows for comparison of data by employee class. If the user decides not to utilize the employee class feature, only one class must be created. During entry of employees through the Employee F/M, all employees are assigned to the one existing class.

Use Department F/M (PRF952) to create and maintain department records. Each employee is assigned a department number. Department codes are used to group employees by the department in which they work (purchasing, shipping, payroll, accounts receivable, etc.) or by any other category determined by the user. During a pay cycle, an employee may earn wages for multiple departments. Each department worked in may also have an assigned GL earnings posting table to post earnings of multiple departments to various GL account numbers. Hours worked and wages earned statistics are stored by department code for each of the three time periods (period-to-date, quarter-to-date and year-to-date). This information is updated by the system and is available for maintenance through the Department History F/M program. If the user decides not to utilize the department feature, only one department must be created. During entry of employees through the Employee F/M program, all employees are assigned to the one existing department.

Use Department History F/M (PRF954) to view, create and maintain records in the department history file. The user may enter information through this program during the initial set up of the payroll system. Thereafter, it is maintained by the Check Register update program. However, most new users allow the system to begin compiling payroll information and do not enter past data. If entering set up information, all hours worked and earnings paid must be gathered by department. Totals are entered for any or all of the three time periods (period-to-date, quarter-to-date and year-to-date) by branch.

Use Check Print Control F/M (PRF958) to create and maintain check parameters that determine the print positions of information on payroll checks. The check parameter file enables the user to control, within broad limitations, the print positions of payroll check information without requiring program changes. One record is stored for each bank, which allows different checks for each bank. If the standard payroll check is to be used, the user should allow each field to default to its preset value. This produces a check print that matches the standard Infor check. The check print program verifies that check print controls are on file for the chosen bank. Therefore, this record must be set up prior to printing checks.

Use Earnings Code F/M (PRF960) to define all types of wages paid to and hours worked by employees. All types of hours and wages must be defined in this program. Earnings may or may not be associated with the number of hours worked. Examples of wages paid independent of hours worked are mileage, travel reimbursements, bonuses, commissions, etc. Hourly wages may be for regular, sick, vacation, overtime, etc. hours. The user

determines if the earnings are considered premium (i.e., overtime) and if various payroll taxes are withheld. The option to use maximum hours tracking is also available.

CAUTION! Deleting an earnings code or a deduction code that is used in the Code Sequence F/M program may endanger the integrity of the payroll data files.

Use Deductions Code F/M (PRF962) to define others taxes and other deductions withheld from payroll checks. The system requires the entry of the following four tax codes: FICA, FEDL (federal), STAT (state) and LOCL (local). Two additional miscellaneous taxes may also be set up to fit the needs of the user. Any voluntary deductions to be withheld from payroll must be defined. Examples include insurance, employee loans, credit union, etc. A feature of the payroll system allows the tracking of employee advances and other deductions with a running balance. FICA must be set up here. Set up FIEI for earned income credit (if applicable).

Use Code Sequence F/M (PRF964) to determine the order in which earnings codes, taxes and deductions codes appear on screens and reports throughout the payroll system. When entering earnings codes the first one must be an hourly code with an hours multiplier of 1.000 as set in the Earnings Code F/M. Codes for any other wages earned may then be entered. When setting up other deductions, place the codes with a balance after non-balance deductions. Prior to using this program, earnings and deductions codes (including taxes) must be defined through the Earnings Code F/M and Deduction Code F/M programs.

CAUTION! Once processing begins, no changes should be made in this file without the supervision of your affiliate. Changes made to this file can seriously endanger the integrity of the data files! It is strongly advised that a password be used in this program.

Use Worker's Compensation Code F/M (PRF968) to set up and maintain worker's compensation codes by tax district. Employers must pay federal and state governments as required to compensate for any illness or injury which is a direct result of the worker's position. The system maintains the earnings by period of worker's compensation once processing begins.

Use Tax District Information F/M (PRF970) to enter and maintain specific information regarding tax districts. Each federal, state, local and/or miscellaneous and FICA tax district (if applicable) must be assigned a code. There is normally one federal code, one code for each state in which your company has a payroll and one code for each local and/or miscellaneous payroll tax. The tax district codes are used as the first two characters of the tax code in the Tax Tables F/M. The Unemployment Report calculates and prints taxes due according to the rates and ceilings in this file.

NOTE: FI must be set up for the federal unemployment tax district and FC must be set up for FICA.

Use Earning GL Posting Table F/M (PRF974) to create and maintain the earnings GL posting tables. Users establish their own set of valid GL posting tables. Each employee by pay cycle is assigned to a GL posting table which determines the correct GL account numbers to post to when posting earnings to general ledger for that employee/pay cycle. The posting tables determine the general ledger distribution after the printing of the Check Register in payroll.

Use Deductions GL Posting Table F/M (PRF976) to create and maintain the deductions GL posting tables. Users establish their own set of valid GL posting tables. Each employee by pay cycle is assigned to a GL posting table that determines the correct GL account numbers

to post to when posting deductions to general ledger for that employee/ pay cycle. The posting tables determine the general ledger distribution after the printing of the Check Register in payroll.

Use Pay Cycle F/M (PRF978) to enter and maintain information regarding pay cycles. Users may set up as many pay cycles as needed. For example, a company may have a weekly pay cycle for hourly employees, a semimonthly for salaried employees, a monthly (commission) for salespeople and a bonus pay cycle. Employees are set up in the appropriate pay cycles in the Employee Pay Cycle F/M program. One employee may be set up in as many pay cycles as needed. For example, if an employee's compensation plan is salary plus commission, that employee may be set up in the semimonthly pay cycle and the monthly pay cycle. The same employee might also perhaps be set up in the bonus pay cycle.

Information in this file is used by the system to ensure that all payrolls are handled in the proper time period. Usage flags for earnings and deductions determine which categories are used in each pay cycle. For example, if commission is an earnings code, it might only be applicable to the monthly pay cycles where commissions are paid. Weekly and semimonthly employees are not eligible to receive commission during those pay cycles.

Use W-2 Electronic File Info F/M (PRF982) to enter data that is appropriate for all companies transmitting W-2 and required IRS information via electronic files. This record must be set up in order to run the W-2 electronic file update. The transmitter company indicated by this F/M should be the company who sends the electronic source file to the Social Security Administration. The information required by this file maintenance is delineated by the SSA. If you have any questions on the information required in this file maintenance, please contact your local office of the Social Security Administration.

Tip and Hints

- The system combines all employee state/location records to create just one employee record used in the ACSII file. If multiple employee records exist, the system uses the first record it encounters to gather the employee name, address and social security number information.
- The flat file created by the W-2 Magnetic Electronic File is PRTP##, where ## is the company number for the company running this program. You are required to rename this file as W2REPORT before submitting to the SSA.

Use W-2 Electronic File Company F/M (PRF984) to set up the transmitter company information. The program contains information pertaining to each company reporting W-2 information on electronic files. The transmitter company must be set up in order to run the W-2 electronic file update. The information required by this file maintenance is delineated by the Social Security Administration (SSA). If you have questions on the information required in this file maintenance, please contact your local office of the SSA. The entire W-2 Electronic File Company F/M record must be reviewed and corrected if necessary based on the proper company information.

W-2 Box 12 Codes F/M (PRF986) allows you to set up codes for amounts in box 12 to be captured and printed on the W-2. Box 12 on the W-2 consists of a number of fields defined here in this program. You may set up codes D – H, J – L, and AA, BB. Each code may then be assigned an earnings or deductions code. The amount for this earnings or deductions code will then be captured by the W-2 Information Capture program in order for the W-2 to print in box 12 on the W-2. Earnings and deductions codes must be set up in their respective

file maintenance programs prior to entering here. These codes must also be set up before running the W-2 Information Capture program in order for the W-2 to print the correct amounts in box 12. Please refer to the IRS instructions for proper use of box 12 on the W-2.

CAUTION! It is strongly advised that a password be used on the Static Control F/M (PRF980) and Nonstatic Control F/M (PRF990) programs. Changes should be made only with extreme caution and under the supervision of your affiliate.

Static Control F/M (PRF980) allows you to create and maintain the company payroll static control record. The static control record is critical to the proper functioning of the PR system. The record contains information which the PR system references in performing various functions.

Nonstatic Control F/M (PRF990) allows you to create and maintain the company payroll nonstatic control record. The nonstatic control record is critical to the proper functioning of the PR system. The record contains information that the PR system references in performing various functions.

Rebuild Payroll Sort Files (PRU990) allows you to rebuild payroll sort files which for any reason (power outage, hardware malfunction, etc.) are not in correspondence with their appropriate direct files. This program should be run only if a problem exists and only under the supervision of your affiliate or programmer. Sort files are used throughout the FACTS system to enable the user to report or retrieve information in an order other than the order the main file is stored. For example, the records of the employee file are stored in employee number order. To access this file in alphabetical order requires a sort file which is stored by alpha lookup by employee number. The corresponding record in the main file may then be accessed for the needed information. The Rebuild PR Sort Files program should only be run under the supervision of your affiliate.

Chapter 3 Transaction Procedures

Payroll Transaction Procedures

This section covers standard procedures to be followed for payroll. These procedures may vary depending on how your company's business is conducted. The following three sections of standard procedures are provided as a guideline:

1 Recommended Operating Procedures

An outline is provided of routine procedures on a daily, weekly, period (month, if 12 periods are used) and yearly basis.

2 End-Of-Period Checklist

The end-of-period procedures are critical to the proper functioning of the system. Certain programs must be run in a specific order to close the payroll module accurately.

It is suggested that copies of the checklist be made and used for each period close-out to be filed for future reference.

3 End-Of-Period Checklist Explanation

A detailed account is provided of the purpose of each program on the checklist.

Recommended Operating Procedures

Daily Procedures (or as needed)

 1 Print any employee listings or reports

 2 Enter/change employee or pay cycle data

Pay Cycle Procedures

 *1   Initialize pay cycle

*2   Enter exceptions to standards

*3   Proof with edit list

4   Enter manual and void checks

5   Print checks

*6   Print/update Check Register

Monthly Procedures (Jan, Feb, Apr, May, Jul, Aug, Oct, Nov only)

*1   Print Period Earnings/Deductions Report

*2   Print Period GL Distribution

*3   Print Period Check Register

4   Print Period Unemployment Reports (if needed)

*5   Run End-of-Period Update

Quarterly Procedures (Mar, Jun, Sep only)

*1   Print Period Earnings/Deductions Report

*2   Print Period GL Distribution

*3   Print Period Check Register

4   Print Period Unemployment Reports (if needed)

*5   Print Quarterly Earnings/Deductions Report

6   Print 941/945 forms

7   Run Clear Check History program

*8   Print Quarterly Unemployment Reports (if needed)

*9   Run End-of-Quarter Update

Yearly Procedures

*1   Print Period Earnings/Deductions Report

*2   Print Period GL Distribution

*3   Print Period Check Register

4   Print Period Unemployment Reports (if needed)

*5   Print Quarterly/Earnings Deductions Report

*6   Print 941/945 forms

*7   Run Clear Check History program

8   Print Quarterly Unemployment Reports (if needed)

*9   Run Yearly Earnings/Deductions Report

10   Print Yearly Unemployment Reports (if needed)

*11   Capture W-2 information

*12   Run End-of-Period Update

*13   Print W-2s

*14   Run W-2 Magnetic Tape Update (if used)

*15   Print W-2 Magnetic Tape Report (if used)

* indicates the procedure is required and must be performed in the time period designated.

Quarterly Closeout Checklist - Payroll

Quarter ـــــــ Year ــــــــ (Mar, Jun, Sep)

User	Date	Menu	Description
ـــــــــ	ـــــــــ	EOP	1. Print Period Earnings/Deductions Report
ـــــــــ	ـــــــــ	EOP	2. Print Period GL Distribution
ـــــــــ	ـــــــــ	EOP	3. Print Period Check Register

User	Date	Menu	Description
_____	_____	EOP	4. Print Period Unemployment Reports
_____	_____	EOP	5. Print Quarterly Earnings/Deductions Report
_____	_____	EOP	6. Print 941/945 forms
_____	_____	EOP	7. Run the Clear Check History program
_____	_____	EOP	8. Print Quarterly Unemployment Reports
_____	_____	EOP	9. Run End-of-Period Update

Monthly Closeout Checklist - Payroll

Period _____ Year _____ (Jan, Feb, Apr, May, Jul, Aug, Oct, Nov)

User	Date	Menu	Description
_____	_____	EOP	1. Print Period Earnings/Deductions Report
_____	_____	EOP	2. Print Period GL Distribution
_____	_____	EOP	3. Print Period Check Register
_____	_____	EOP	4. Print Period Unemployment Reports
_____	_____	EOP	5. Run End-of-Period Update

End-Of-Period Checklist Explanation

Payroll is a module which only interacts with the general ledger and no other modules. Therefore, payroll may be closed for the period, quarter and year, whenever it is convenient for the user. However, it is important to note that until a period is closed, no payroll procedures may be executed for the following period. Also, until a quarter is closed no payroll procedures may be executed for the following quarter and until a year is closed no payroll procedures may be executed for the following year.

Payroll Monthly Procedures

1 Print Period Earnings/Deductions Report. This report must be run before the user can run the End-of-Period Update. It allows the user to obtain a report of wages paid in each earnings category and deductions withheld from payroll in each deduction category for all employees. Because this report can be run at any time or any number of times, the user is warned if all payrolls for the period have not been completed and/or if the report has already been printed. All Period Earnings Reports should be kept as an audit trail.

2 Print Period GL Distribution. This report should be run and updated before the user runs the End-of-period Update. It allows the user to obtain a report of the earnings distributions for the period. After the report prints, the user should remove the records just printed to clear the file. If records are not removed, they will appear on next period's register. All GL Distribution Reports should be kept as an audit trail.

3 Print Period Check Register. This register needs to be run for the user to obtain a listing, grouped by bank, of all regular, manual and void checks for the period. This register is a summary of the Check Registers printed for the period. After the register prints, the user should remove the records just printed in order to clear the file. If records are not removed, they will appear on next period's register. All Period Check Registers should be kept as an audit trail.

4 Print Period Unemployment Reports. These reports must be run before the user runs the End-of-Period Update or the figures are not available. It allows the user to obtain a report for each employee based on the tax district information of gross wages, taxable wages and nontaxable wages. All Unemployment Reports should be kept as an audit trail.

5 Run End-of-Period Update. This is the last step to closing payroll for the period. This program allows the user to close the current payroll period. It resets employee and department period figures to zero and advances the current period.

Payroll Quarterly Procedures

1 Perform Payroll Monthly Procedures. At the end of a quarter all monthly procedures must be followed except the End-of-Period Update. CAUTION: Do not run the End-of-Period Update until ALL quarterly reports have been run.

2 Print Quarterly Earnings/Deductions Report. This report must be run before the user can run the End-of-Period Update. It allows the user to obtain a report of wages paid in each earnings category and deductions withheld from payroll in each deduction category for all employees. Because this report can be run at any time or any number of times, the user is warned if all payrolls for the quarter have not been completed and or if the report has already been printed. All Quarterly Earnings/Deductions Reports should be kept as an audit trail.

3 Print 941/945 forms. The 941/945s must be printed before the user can run the End-of-Period Update. These forms are printed on paper by the system and no actual preprinted form is

needed. The information on these forms is identical to the Period Earnings/Deductions Report for each employee.

4 Run Clear Check History Program. This program should be run in order to remove records from the check history file to prevent a full file. It is suggested that historical records over three months old be removed.

5 Print Quarterly Unemployment Reports. These reports must be run before the user runs the End-of-Period Update or the figures are not available. It allows the user to obtain a report for each employee based on the tax district information of gross wages, taxable wages and nontaxable wages. All Unemployment Reports should be kept as an audit trail.

6 Run End-of-Period Update. This is the last step of closing payroll for the quarter and should only be run if the Quarterly Earnings/Deductions Report and 941 forms have been printed. This program allows the user to close the current payroll month and quarter. It resets the employee and department monthly and quarterly figures to zero and advances the current month and quarter.

Payroll Yearly Procedures

1 Perform Payroll Monthly and Quarterly Procedures. At the end of a year all monthly and quarterly procedures must be followed except the End-of-Period Update. CAUTION: Do not run the End-of-Period Update until All yearly reports have been run.

2 Print Yearly Earnings/Deductions Report. This report must be run before the user can run the End-of-Period Update. It allows the user to obtain a report of wages paid in each earnings category and deductions withheld from payroll in each deduction category for all employees. Because this report can be run at any time, or any number of times, the user is warned if all payrolls for the year have not been complete and/or if the report has already been printed. All Yearly Earnings Reports should be kept as an audit trail.

3 Print Yearly Unemployment Reports. These reports must be run before the user runs the End-of-Period Update or the figures are not available. It allows the user to obtain a report for each employee based on the tax district information of gross wages, taxable wages and nontaxable wages. All Unemployment Reports should be kept as an audit trail.

4 Capture W-2 information. This report MUST be run before running the End-of-Year Update so that W-2's may be run. It captures all W-2 information so that W-2 Magnetic Media Updates can be run after the close of the payroll year.

5 Run End-of-Period Update. This is the last step to closing payroll for the year and can only be run if the above steps have been completed. This program allows the user to close the current payroll month, quarter and year. It resets employee and department monthly, quarterly and yearly figures to zero and advances the current year.

6 Print W-2 forms. The forms used for this program are the standard W-2 forms issued by the Department of Treasury. The information printed on these forms is identical to Yearly Earnings

and Deductions Reports for each employee.

7 Run W-2 Magnetic Tape Update. This update transfers the W-2 information to a magnetic tape to submit to the Social Security Administration.

8 Print W-2 Magnetic Tape Report. This report records information dealing with the W-2 magnetic tape.

Yearly Closeout Checklist - Payroll

Year _____ (Dec)

User	Date	Menu		Description
_____	_____	EOP	1.	Print Period Earnings/Deductions Report
_____	_____	EOP	2.	Print Period GL Distribution
_____	_____	EOP	3.	Print Period Check Register
_____	_____	EOP	4.	Print Period Unemployment Reports
_____	_____	EOP	5.	Print Quarterly Earnings/Deductions Report
_____	_____	EOP	6.	Print 941/945 forms
_____	_____	EOP	7.	Run the Clear Check History Program
_____	_____	EOP	8.	Print Quarterly Unemployment Reports
_____	_____	EOP	9.	Print Yearly Earnings/Deductions Report
_____	_____	F/M	10.	Print Yearly Unemployment Reports
			11.	Capture W-2 information
			12.	Run End-of-Period Update
			13.	Print W-2 forms
			14.	Run W-2 Magnetic Tape Update
_____	_____	EOP	15.	Print W-2 Magnetic Tape Report