
CheckMark Payroll

User's Manual



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Part 1

Getting Started

CheckMark Payroll is an automated payroll software program designed for the small to medium sized business to calculate and print payroll. This program will process hourly and salaried pay rates and tracks regular, overtime, double-time, sick and vacation hours. CheckMark Payroll will calculate Federal and State withholding as well as other taxes that may not necessarily be set up for you upon installation depending on your locale. Use CheckMark Payroll to define deductions, additional incomes, calculate and create checks, generate tax liability reports and print W-2s, W-3s, Form 940, 941, 943 and 944 reports.

Before jumping into the set up of your company payroll, please read through the manual. General set up and payroll procedures are covered as well as how you can receive additional support directly from CheckMark, Inc.

System Requirements

CheckMark Payroll can be installed on a computer running either Macintosh or Windows operating systems. The software is a single-user application and not designed for multiple user access of the data files. **DO NOT** install the application program on a server, but locally on the user's computer hard drive even if you save the data on a server.

Users will need to have a personal computer running an operating system of either **Windows XP Service Pack 3 or higher including Windows 8**, or **Macintosh OS X 10.5 or higher including Mavericks**.

Along with a compatible printer, the latest version of **Adobe Reader** is also required to properly print certain forms from the program. You can download a free copy of Adobe Reader from Adobe's website at www.adobe.com.

Whichever computer you choose, a fundamental knowledge of the operating system is essential. For more information about the basics and navigation of your operating system, see the user manual that came with your computer.

Software Updates

Each year the program is issued with the latest Federal and State withholding tax information as well as added features. Program patches are released as needed throughout the year for the current version of the software. Patches are available online at www.checkmark.com. Hard copy CDs can be purchased by calling the sales department at 800-444-9922.

Renewal notices are sent out each year, generally late summer to early fall, announcing the next update. Updates must be purchased each year to receive support and the ability to install patches for changes including withholding tables and reports that occur throughout the year.

How to Get More Help

This manual covers general Payroll set up, calculation and reporting. There may be items that are specific to your company that are not addressed here except in general terms. For these times, CheckMark Software, Inc. offers additional support for users that wish to purchase a support plan.

New Users are entitled to 60 days or 90 minutes of free support, whichever comes first, from the date of purchase. Free support for updates and patches is not available but included with a support plan.

Only registered users can receive technical support so please, take a moment and read the License Agreement, fill out the Registration Card and send it in.

Support is offered via internet submission, email, fax or telephone. Whenever you contact support, have your customer number OR product registration number available. It is important that you are at your computer with CheckMark Payroll running when speaking with support to best resolve your question/problem.

Support Plans

CheckMark Software offers several additional support plans to meet your needs:

Priority Support

12 months or 300 minutes, whichever comes first, with an 800 phone number exclusively for priority support customers and immediate assistance.

Essential Support

12 months or 90 minutes, whichever comes first. Phone support with this option is handled with a call back system.

Support by the minute

\$3/minute with a \$30 minimum charge per call.

Before Contacting Support/Other Resources

Check For Latest Version

Users with internet access can check to be sure that they are up-to-date as often as they wish by selecting **Check for Latest Version** under **Help** in the program. If you wish the program to check this for you every time it is launched, select the **Preference to Check for Latest Version on Launch**. If necessary, download and install the latest update (may require purchase if not using the current year version).

Payroll Manual

Users can access the Payroll Manual from the Help menu while in the CheckMark Payroll program. An updated manual is installed with each upgrade.

Online Knowledge Base

Users with internet access can check the online data base for answers to common questions. Access to the KnowledgeBase can be obtained by going to the Help menu and selecting CheckMark KnowledgeBase. You can also access the KnowledgeBase directly from the CheckMark website at www.checkmark.com.

Online Tutorials

These short movies are valuable for new users and seasoned pros alike. Each topic is easy to understand as you are taken step-by-step through features and procedures. You can access the tutorials under the Help menu in the program or by going to the CheckMark website at www.checkmark.com.

Contact CheckMark Inc

Suggestions Our program continues to improve with the input of our users. If you wish to see a feature considered for possible implementation into the Payroll program, please send us your suggestions

Sales - 800-444-9922 or sales@checkmark.com

Support - 970-225-0387 or support@checkmark.com

Customer Service - 970-225-0522 or info@checkmark.com

Fax - 970-225-0611

Address -

**CheckMark Inc.
323 W. Drake Rd., Ste. 100
Fort Collins, CO 80526**

Chapter 1 Installation and Basic Use

Installing CheckMark Payroll

Macintosh Install

- 1 Close all programs including disabling of anti-virus software.
- 2 Insert the CheckMark Payroll CD-ROM into your computer's drive.
- 3 When the CD icon appears on the Desktop, open by double-clicking on it and double-click the CheckMark Payroll installer.
- 4 Follow the on-screen instructions to complete installation.

The default install location on the hard drive for CheckMark Payroll is:
Macintosh
HD\Applications\CheckMark\Payroll\(\year)\CheckMark Payroll.
Users can install the program in any location, however, it is recommended to install the program on the local drive in the default location.

Note The **(year)** folder represents the current calendar year. Each new year, a new folder pertaining to that year will be created.

Windows Install

- 1 Close all programs including disabling of anti-virus software.
- 2 Insert the CheckMark Payroll CD-ROM into your computer's drive.
- 3 The installer will start automatically.

If the installer does not start automatically after a minute, click your **Start** menu and then select **Run**.

Type in the path and filename in the **Run** box. That would be the drive name, colon (:), backslash(\), filename. For example: **D:\setup**. Then click **OK**.

- 4 Follow the on-screen instructions to complete installation.

The default install location on the hard drive is **C:\Program Files\CheckMark\Payroll\(\year)pay.exe**. It is recommended to install the program on the local hard drive in the default location.

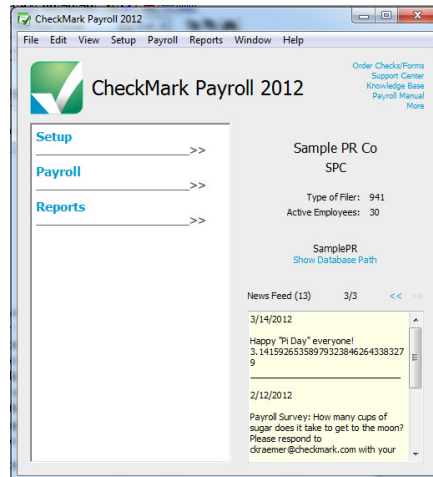
Note The **(year)** folder represents the current calendar year. Each new year, a new folder pertaining to that year will be created.

Note CheckMark Payroll for **Windows** should not be installed on a file server. Install the application onto the local hard drive of any computer in your company that will need to access payroll files. Then save your company database to a file server. If you choose to save your data files on a server, you need to map your network drive. Each operating system handles this differently. For more information, see the documentation that came with your operating system.

Keep in mind, the payroll application is still a single user program. Only one user should access the database at a time.

Command Center

When you open up CheckMark Payroll, the Command Center appears on the screen.



The Command Center is divided into three sections: **Setup**, **Payroll** and **Reports**. To use the Command Center, first click the section you wish to open, then click the option you want. If no company is open, the options for each section will appear greyed out and inactive. When a company is open, the options for each section will appear bold and the payroll year, company name, as well as the type of filer the company is and the number of active employees will appear on the right of the Command Center. You can click the Show Database Path link and a dialog will appear that shows the path to the company's database files.

The Command Center also has links to important support information, knowledge base articles, the user manual, as well as links to order checks and forms from CheckMark Software, Inc. The newsfeed at the bottom of the Command Center is a great way to keep up with the latest information from CheckMark.

Note Not all menu commands are represented on the Command Center. Some dialogs, such as those under the File menu, can only be accessed using the pull-down menus or CTRL *key* (Windows) or COMMAND *key* (Macintosh) shortcuts from the keyboard.

Changing Command Center View

You can easily change the Command Center view back to CheckMark Payroll's Classic Command Center by selecting Change View from the View menu.

Database Manager

CheckMark Payroll stores company data in a database. When you initially open CheckMark Payroll, a database named **Default Payroll Company Database** is created (the path is as follows: HDCheckMarkPayroll[year]Default_Payroll_Company_Database_[year]).

If you process payroll for only one company, this is probably the only database you'll ever need.

If, however, you process payroll for more than one company, you should consider the following scenarios to manage your companies correctly. You can either store all your company files in the same database, or you can create two or more separate databases and store individual companies in them.

Storing All Company Files in the Same Database

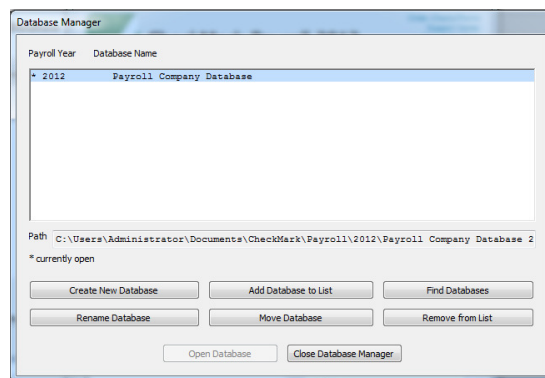
Each database can contain multiple companies. The advantage to storing all your different company files in one database is that when you **Backup Database**, **Restore Database**, **Close Database**, or advance to a **New Year**, all companies stored in that database will be backed up, restored, closed or advanced to a New Year at the same time, saving you time.

Storing Company Files in Separate Databases

The advantage to storing each of your company files in separate databases is that you have more control over where each database is stored on your computer, as well as when you want to **Backup Database**, **Restore Database**, **Close Database**, or advance companies to a **New Year**.

Using the Database Manager

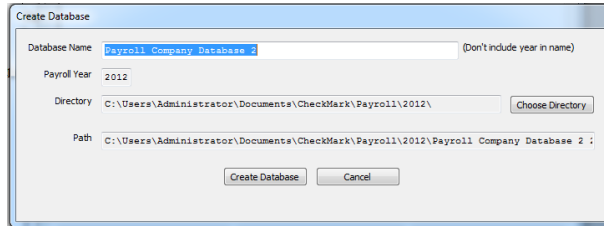
Choose **Database Manager** from the **File** menu.



Create New Database

This option allows you to create and save a new database in any location you wish. Keep in mind that each database can store multiple companies.

- 1 Click **Create New Database**.



- 2 Enter a **Database Name** and **Payroll Year**. Click the **Browse** button to select a new location to save the database.
- 3 Click **Create Database** to save the new database.

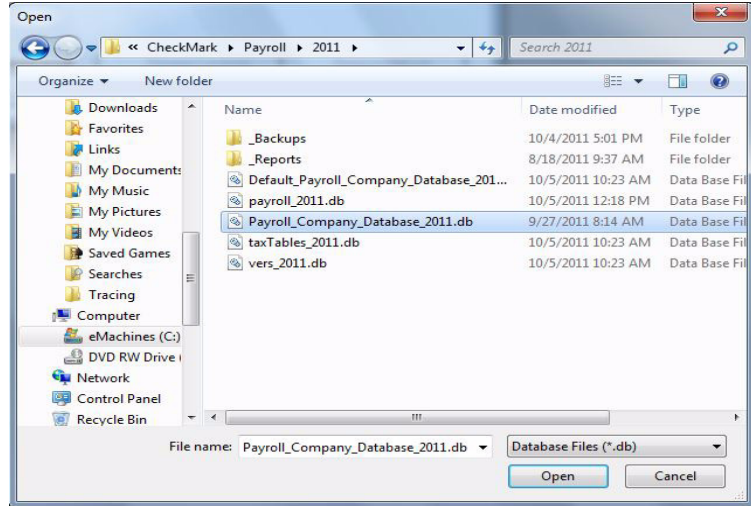
Add Database to List

This button allows you to add an already-existing database to the list. For example, if you copied over a database from another computer and the **Database Manager** does not list this database, you can choose **Add Database to List** and browse to that location to update the **Database Manager's** list.

- 1 Click **Add Database**.

An Open dialog box appears.

- 2 Browse to the location where the database is saved.



- 3 Select the database and click **Open**.

The database is added to the list in the Database Manager.

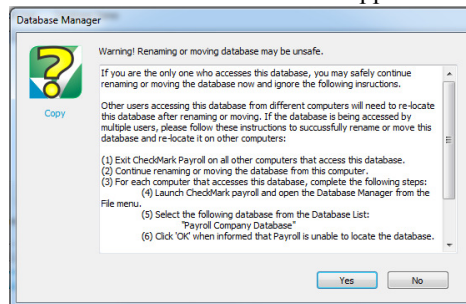
Rename Database

This option allows you to rename the database. It is recommended you use only alpha-numeric characters.

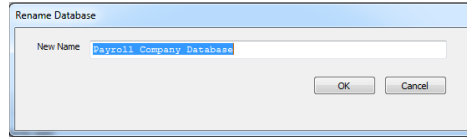
- 1 Click **Rename Database**.

The following alert appears:

The Rename Database window appears.



2 Click Yes.



3 Enter the new name and click **Rename Database** to Save.

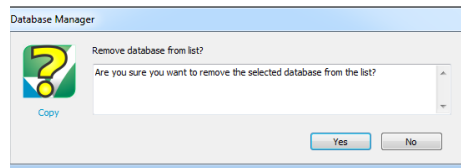
Remove From List

This option allows you to remove a database from the list.

Note This only removes the listing in the **Database Manager**. It does not delete the database file from the saved location. To delete a database, you will need to manually delete the database (.db) file from your hard drive or saved location..

- 1 Click **Remove From List**.

A warning message appears.



- 2 Click **Yes** to remove the database from the Database Manager list.

You can add the database again at anytime by using the Add Database command.

Open Database

This option allows you to choose a different database and open it up to view all saved payroll companies in that particular database.

- 1 Select the database you want to open and press **Open Database**.

The new database is now open and all companies stored in this database are available under the **Open Company** command under the **File** menu.

Close Database Manager

This option closes the Database Manager window.

Open Company

This command allows you to choose a specific company in an available database. Once the program is launched, choose **Open Company** from the **File** menu. Select the database, if necessary, then select the payroll company to open and click **Open Company**.

Delete Company

You can also choose to delete a company from the database list by going under the **File** menu and selecting **Delete Company**. Select the company you wish to delete and click the **Delete Company** button. If you delete a set of files in this way, they cannot be recovered without a previously saved backup archive.

Exiting CheckMark Payroll

To exit or quit CheckMark Payroll:

- Choose **Exit** from the **File** menu (Windows)
- Choose **Quit** from the **CheckMark Payroll** menu (Mac)

Tips for Navigating Windows Within Payroll

You can enter information in any order you like by clicking in each field's edit box.

To move the cursor from one field to the next field, you could click in the field box. However, often the quickest way to move the cursor to another field is to press the following keys on your keyboard:

Keystroke	Result
TAB	Next field or control
SHIFT+TAB (While holding down the SHIFT key, press TAB)	Previous field or control

Making Selections in a List Box

While using CheckMark Payroll, you often select items from a list box. You can make your selections in the following ways:

- In most list boxes, you can choose a consecutive range of items by holding down the **SHIFT** key while clicking the first and last desired items in the list. For example, here is a consecutive range of checks selected on the **Print Paychecks** window:

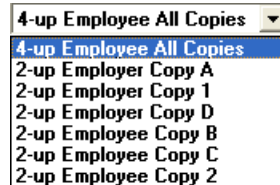
Check	Date	Employee
888	01/31/06	Johnson,Larry
889	01/31/06	Kennedy,Paul
890	01/31/06	Hill,Allison
891	01/31/06	Prader ,Jodi
892	01/31/06	Wesley ,Jenni
50188	01/31/06	Crawford,Alex
50189	01/31/06	Dickens,Chuck
50190	01/31/06	Franklin,Rolly
50191	01/31/06	Ignitowski,James
50192	01/31/06	Griffith,Margorie
50193	01/31/06	Mori,Leilani

- In most list boxes, you can also select a consecutive range of items in a list by dragging through the list to highlight the desired items. Simply select the first item in the selection and, while holding down the mouse button, move the mouse pointer through the list.
- To deselect an item in a list, position your mouse pointer over the selected item and click the mouse button. To retain other selections in the list while deselecting an item, hold down the CTRL key (Windows) or COMMAND key (⌘) (Mac) while clicking the item.
- In some lists, you can make non-consecutive selections by holding down the CTRL key (Windows) or COMMAND key (⌘) (Mac) while clicking the desired items in the list. The example below shows a non-consecutive range of checks selected:

Check	Date	Employee
888	01/31/06	Johnson,Larry
889	01/31/06	Kennedy,Paul
890	01/31/06	Hill,Allison
891	01/31/06	Prader ,Jodi
892	01/31/06	Wesley ,Jenni
50188	01/31/06	Crawford,Alex
50189	01/31/06	Dickens,Chuck
50190	01/31/06	Franklin,Rolly
50191	01/31/06	Ignitowski,James
50192	01/31/06	Griffith,Margorie
50193	01/31/06	Mori,Leilani

Using Drop-Down Lists

Drop-down lists make data entry fast and easy. When you click the down arrow button in a drop-down list, a list of choices appears:



CheckMark Payroll offers you several ways to quickly find an item in a drop-down list.

- Use your mouse to select the item. Drag up or down through the list and select a name when it scrolls into view.
- Type the first character of the item. This automatically selects the first occurrence of the character at the beginning of an item name. On Windows, typing the character again will select the next item that starts with that character.
- Press the UP ARROW or DOWN ARROW keys on your keyboard to move through the list.

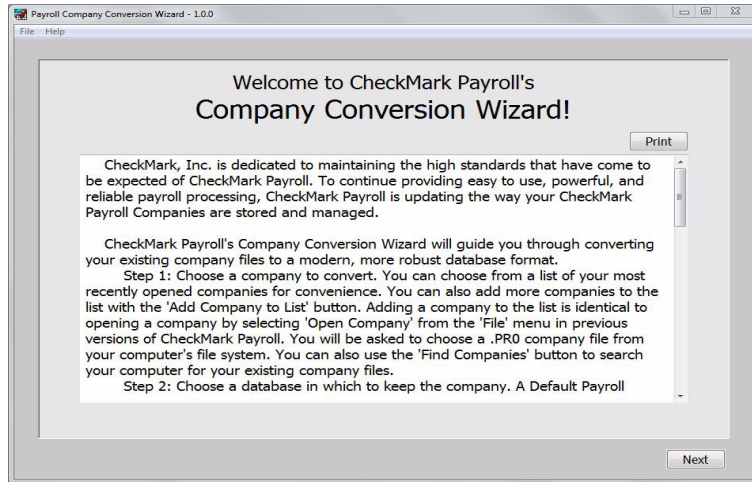
After the item you want is highlighted, press Enter to enter the item into the field.

Converting Old Company Files

In Payroll version 8.2 and higher, a database is used to store all company and employee information. Multiple companies can be stored in one database or multiple databases can be created for each company. This section describes how to use the **Payroll Company Conversion Wizard** if you're opening data from Payroll versions prior to 8.2.

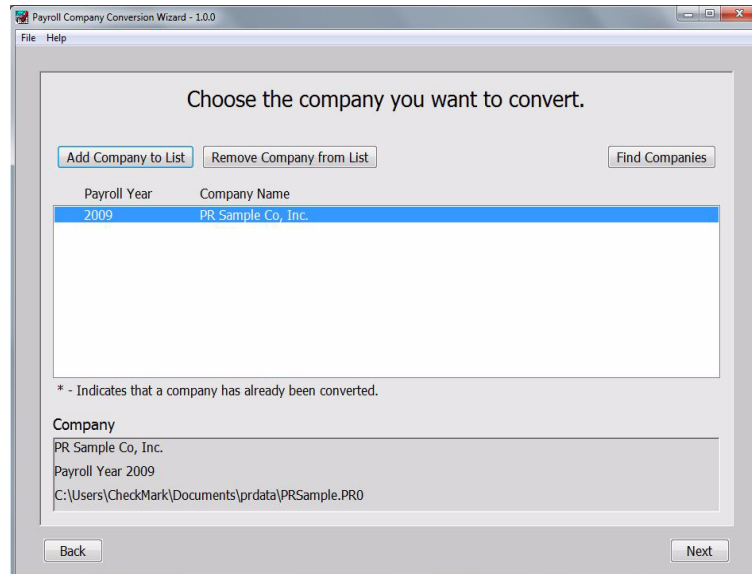
- 1 Make sure all old Payroll files are closed. Launch the **Payroll Company Conversion Wizard** application.

A Welcome screen appears with details on the conversion process and the new database that will be created. You can **Print** these details by choosing the **Print** button in the upper right hand corner. Click **Next** to continue.



2 Choose the company you want to convert.

This screen lists the old company files that are ready to be converted. If your company is not listed you may either choose the **Add Company to List** or **Find Companies** button.



Choosing the **Add Company to List** button opens a dialog box for you to browse to and select the location where you saved the old payroll files.

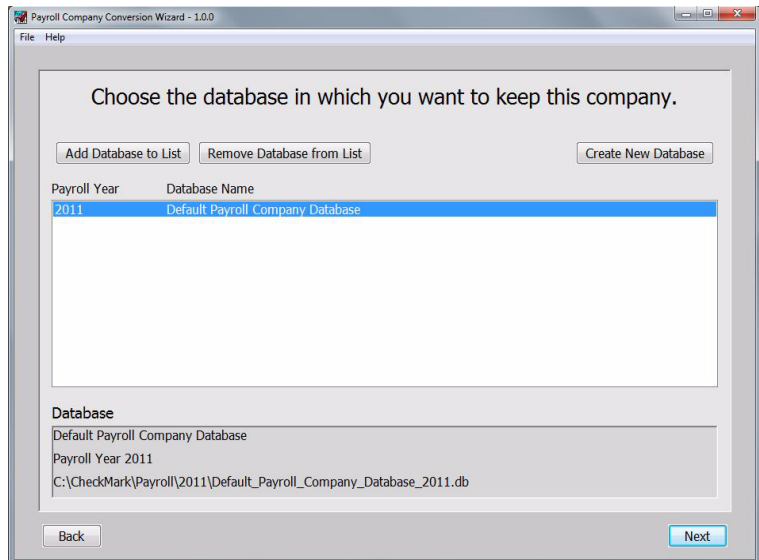
The **Find Companies** button searches your hard drive and network drives for all available payroll files that can be converted.

Once the company list is populated, select the company you want to convert. You may only convert one company at a time. Click **Next** to continue.

Note If there's an asterisk (*) by the company's name, this company has already been converted.

3 Choose a Database for Saving

Once you've chosen a payroll company to convert, you'll have the option of saving the data into the provided **Default Payroll Company Database** or creating one of your own.



The location of the **Default Payroll Company Database** is:

Windows:

C:\CheckMark\Payroll\2011\Default_Payroll_Company_Database_2001.db

Macintosh:

HD/CheckMark/Payroll/2011/Default_Payroll_Company_Database_2011.db

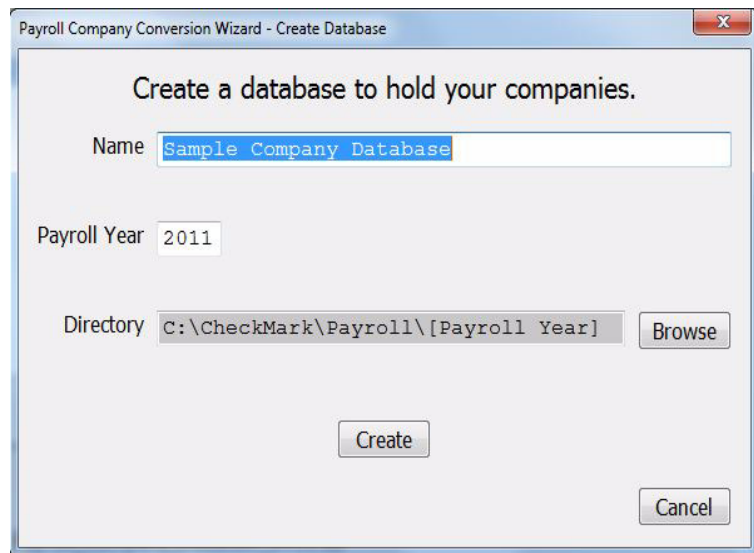
Note You can change the name of the **Default_Payroll_Company_Database_2011.db** after the convert is finished. For information on database management, See “Database Manager” on page 7.

Create a New Database

1. To create your own database and/or save a database in a new location, choose the **Create New Database** button.
2. Enter a name for the new database.
3. Change the Year if necessary.

If necessary, change the default location where you want to save the database by choosing the **Browse** button.

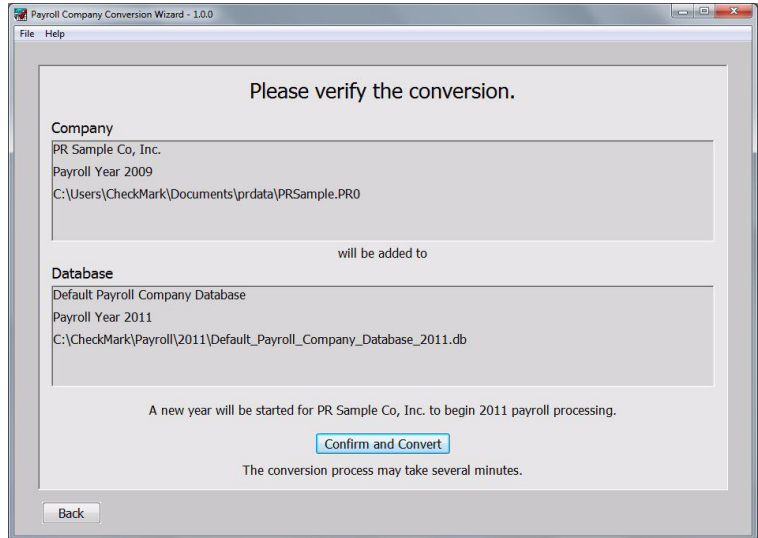
4. Click **Create** to Save the new database. The new database should now be included in the list of databases to choose from for the final Confirm and Convert stage.



4 Confirm and Convert

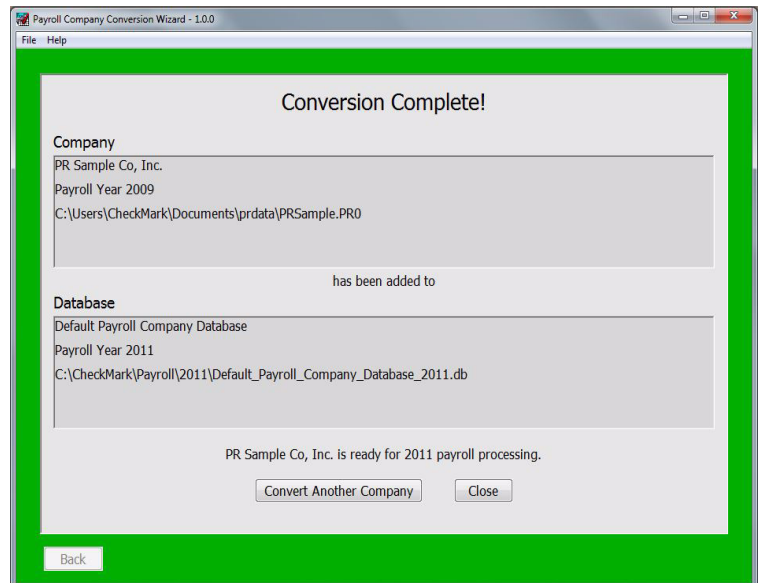
After you have selected the database you want to convert your data into, click the **Next** button.

Converting Old Company Files



Verify that all information and save location is correct. If changes are needed, hit the **Back** button.

- 5 Click the **Confirm and Convert** button.



- 6 Once the conversion is complete and the green complete screen is displayed, you may either choose to **Convert Another Company** or **Close**.

You may now proceed to open the newly created files in the new database with Payroll version 8.2 or higher. For instruction on Opening your Payroll company, See “Open Company” on page 13.

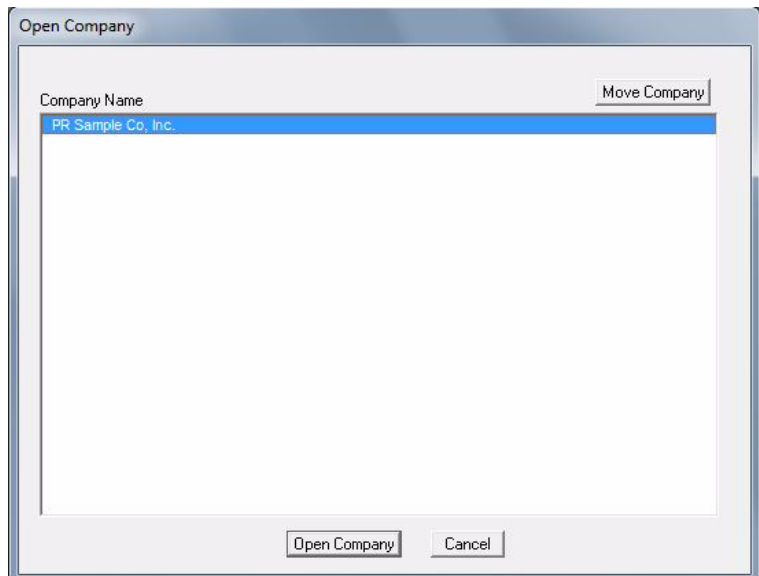
Chapter 2 Sample Company

Starting CheckMark Payroll for Windows and Opening the Sample Company

Note A sample company is NOT included if you are installing a full version for the first time. If you have downloaded a Trial version or for any reason would like to see a sample company, contact CheckMark and we can send you the database that contains the Sample Company for review.

The following steps show you how to start CheckMark Payroll for Windows and open a sample company file called **PRSample.pr0**. If you would rather start setting up your own company right away, see “Chapter 3 Creating a New Company” on page 25.

- 1 Once you’ve received the database containing the sample company and saved it to your hard drive, launch CheckMark Payroll by clicking the shortcut on the desktop or from the Start menu.
- 2 Choose **Open Company** from the **File** menu. If the Sample Co is not listed, use the Database Manager to open the correct database containing the Sample Company. For information on the Database Manager, see “Database Manager” on page 7.
- 3 Select the **PR Sample Co, Inc** and click **Open Company**.



- 4 The **PR Sample Co, Inc** is now open and all sections are active on the Command Center.

Note Do not enter your own company data in the **PR Sample Co, Inc**. You should create a new company if you plan to process payroll for your own company.

Starting CheckMark Payroll for Macintosh and Opening the Sample Company

The following steps show you how to start CheckMark Payroll for Macintosh and open a sample company file called **PR Sample Co, Inc**. If you would rather start setting up your own company right away, go to “Creating a New Company File” on page 25.

- 1 Double-click the alias on the dock or desktop. You can also launch Payroll by opening the folder where CheckMark Payroll was installed and double-clicking on the CheckMark Payroll icon.
- 2 Select **Open Company** from the **File** menu.
- 3 Select the **PR Sample Co, Inc** then click **Open Company**.
- 4 The **PR Sample Co, Inc** is now open and all sections are active on the Command Center.

Note Do not enter your own company data in the **PR Sample Co, Inc**. You should create a new company if you plan to process payroll for your own company.

Part 2

Setting Up a Company

Setup of your company's payroll data set is key to ease of use and accuracy in your calculation and reporting. Read through the chapters ahead and evaluate each item to determine which items will be essential to your company setup. Depending on your company's needs, not all windows in CheckMark Payroll may be used. It is recommended that you follow the setup chapters in order so that all necessary items are available when setting up Employees, Employer Payees and Ledger Accounts.

Some things to consider before starting:

- Do you have an accounting program you wish to post payroll to and how do you wish the payroll to post? By department? By MultiLedger Job?
 - Are there special taxes in your local area that you need to verify the setup? How are they reported to the taxing entity?
 - Do I have all the documents I need to setup a company; ID numbers, SUTA rate, Employee W-4 forms?
-

Steps to Setting Up a Company

The following is a checklist that you can follow for setting up your company.

Steps for Creating a New Company	Payroll Screen
<input type="checkbox"/> Create or Open the Database where you want to store your company files	Database Manager, under the File menu
<input type="checkbox"/> Create a New Company file	New Company, under the File menu
<input type="checkbox"/> Setup Company Information and select Payroll Year	Company Information
<input type="checkbox"/> Setup Departments (optional)	Departments
<input type="checkbox"/> Add the appropriate state tax tables and parameters to your company	State Tax Values
<input type="checkbox"/> Enter the State ID and SUTA % for each state in which you process a payroll	State Tax Values
<input type="checkbox"/> Setup Local taxes (if required)	Local Tax Values
<input type="checkbox"/> Setup Hour Categories (optional)	Hour Categories
<input type="checkbox"/> Setup Additional Income items (optional)	Additional Income
<input type="checkbox"/> Setup Deduction items (optional).	Deductions
<input type="checkbox"/> Setup Employee information	Employees
<input type="checkbox"/> Setup Employer Payees (optional)	Employer Payees
<input type="checkbox"/> Setup Ledger Accounts (optional)	Ledger Accounts

Chapter 3 Creating a New Company

This chapter shows you how to create a new company file and enter basic company information.

Creating a New Company File

- 1 In Windows, Double click the Payroll shortcut on the Desktop or click the **Start** menu, select **Programs**, then select **CheckMark Payroll** from the **CheckMark Payroll** group.
On Macintosh, Double-click the CheckMark Payroll alias in the dock or on your Desktop or double-click the **CheckMark Payroll** icon located in the install folder that was installed on your hard drive.
- 2 Choose **New Company** from the **File** menu.

The following window appears:



- 3 Select how you want to save the new company.

Save the new company in the currently open database

If you already have created a database already from the database manager, you can create a new company in that same database.

Choose an existing database in which to save the new company

If you want to create a new company in a different database that you have previously created, choose this option. Once you click OK, you'll be prompted with an Open Dialogue box to browse and select the database you want to use.

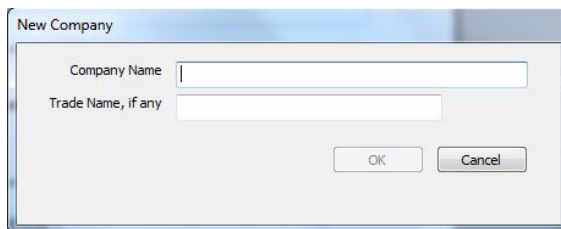
Create a new database for the company

If you are just starting CheckMark Payroll for the first time or what to create a new database for the company, choose this option.

Note If this is a first-time setup, you won't have an existing CheckMark

Payroll company to copy from. The sample company that is provided contains example information only and it is not recommended for copying setup information. If you want to copy setup information from an existing CheckMark Payroll company, see “Copying From an Existing Payroll Company” on page 27.

- 4 Click **OK**.
- 5 Enter a name Company Name and Trade Name (if applicable).

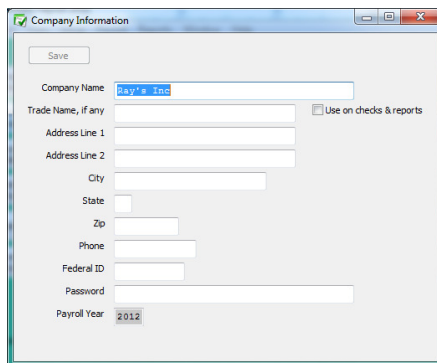


The image shows a dialog box titled "New Company". It has two text input fields: "Company Name" and "Trade Name, if any". Below the fields are two buttons: "OK" and "Cancel".

An alert appears asking if you want to copy setup data from an existing company. See, “Copying From an Existing Payroll Company” on page 27 for more information.

- 6 Finish entering the **Company Information**.

For more information on the fields on the Company Information window, see “Setting Up Company Information” on page 29.



The image shows a window titled "Company Information". It has a "Save" button at the top left. Below it are several text input fields: "Company Name" (with "Sample, Inc" entered), "Trade Name, if any", "Address Line 1", "Address Line 2", "City", "State", "Zip", "Phone", "Federal ID", and "Password". There is also a checkbox labeled "Use on checks & reports" and a "Payroll Year" field with "2012" entered.

Once you’ve entered the basic **Company Information**, click **Save** and close the window. All sections should now be active on the Command Center.

Copying From an Existing Payroll Company

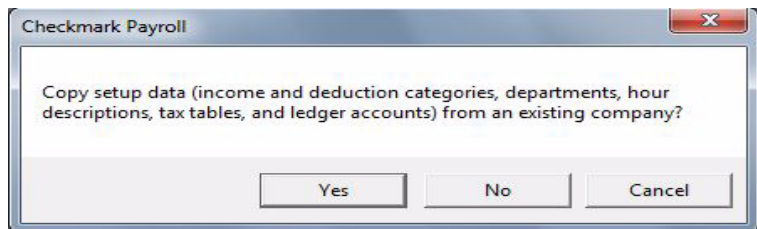
When you create a new Payroll Company, you have the option to copy certain setup data from an existing CheckMark Payroll company. You can copy Income and Deduction Categories, Departments, Hour Descriptions, Tax Tables, and Ledger Accounts.

Important You can also import employee information. For more information on importing employee information, see “Import Employee Information” on page 103.

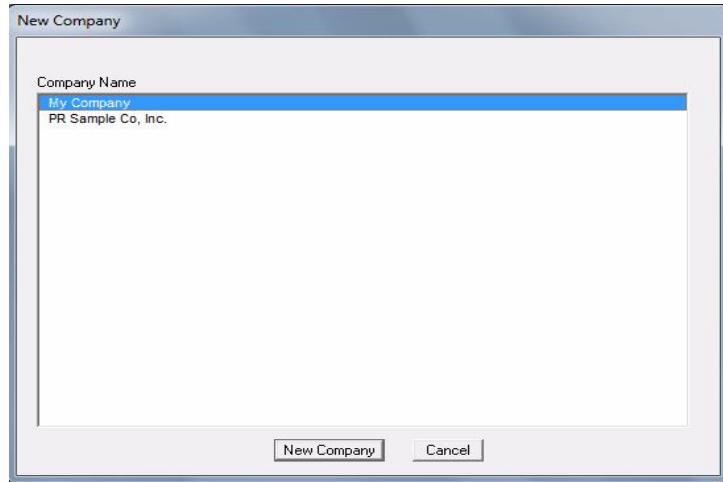
- 1 Open CheckMark Payroll.
- 2 Choose **New Company** from the **File** menu.

An alert asking if you want to copy setup data from an existing company appears.

Note The Default Payroll Company Database will be used to save your company information. If you wish to use a different database or rename the database, see “Database Manager” on page 7.

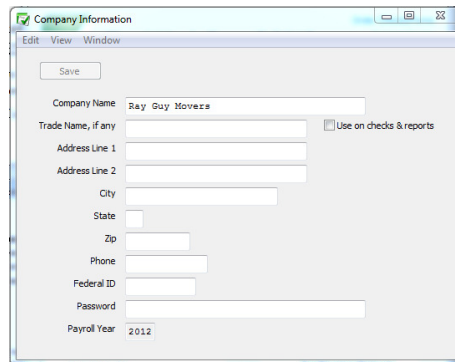


- 3 Click **Yes**. An Open dialog box appears.
-



Note Typically, you would not copy setup information from the “PR Sample Co, Inc.” since it contains only example information.

- 4 Select the company you wish to copy information from. Once that company is selected, click the **New Company** button.
- 5 Begin setting up your Company Information in the **Company Information** window.

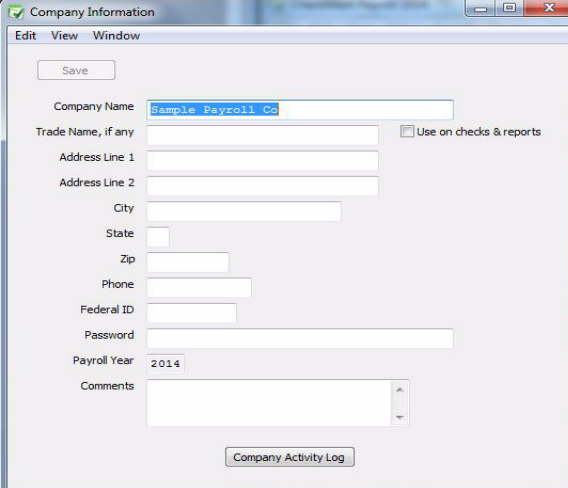


Chapter 4 Company Information

Setting Up Company Information

Use the **Company Information** window to enter your starting payroll year and basic company information, such as your company's name, address, and federal employer identification number.

- 1 Click **Setup** in the **Command Center**, then select **Company Information**.



The screenshot shows a window titled "Company Information" with a menu bar (Edit, View, Window) and a "Save" button. The form contains the following fields and options:

- Company Name: Sample Payroll Co
- Trade Name, if any: (empty)
- Address Line 1: (empty)
- Address Line 2: (empty)
- City: (empty)
- State: (empty)
- Zip: (empty)
- Phone: (empty)
- Federal ID: (empty)
- Password: (empty)
- Payroll Year: 2014
- Comments: (empty)
- Use on checks & reports:
- Company Activity Log: (button)

- 2 Enter your company's name and press TAB to move to the next field.
- 3 Complete all necessary fields and click **Save**.

Note Press SHIFT - TAB (hold down the SHIFT key and press TAB) to move the cursor to the previous field and highlight any previously entered information.

Items in the Company Information Window

Company Name Enter your company's legal name.

Trade Name Enter your company's Trade Name, if any.

Use on Checks & Reports Check this box if you want the Trade Name you entered to be used on checks and reports. If this box is not checked, CheckMark Payroll will use your Company Name on checks and reports.

**Address Lines 1 & 2
City, State, Zip** Enter your company's street address, city, your state's two-letter postal abbreviation, and zip code.

Note Only Address 1 information prints on Forms 940, 941, 944, and W-2/W-3s; the information in Address 2 will not print on these reports.

Phone Enter your company's telephone number, including area code.

Federal ID Enter your federal employer identification number. This number prints on 940, 941, 944 and W-2/W-3s reports.

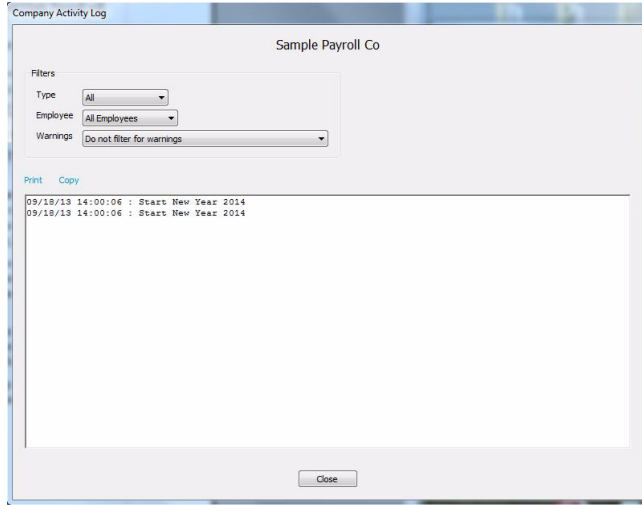
Password Enter up to 40 characters for a password if you want to restrict access to your company's files. The password is *not* case sensitive. For example, an upper case "T" is treated the same as a lower case "t." For more details, see "Setting Up a Password" on page 242.

Payroll Year The payroll year you enter appears on checks and reports and limits the check dates you can enter. CheckMark Payroll works with one year of data at a time. The current year is automatically entered based on the year the database is in.

To modify the year, you must create a new database to change it to an earlier year. However, you can advance it to the next year with the **New Year** command. For details, see "Starting a New Year" on page 245

Comments The Comments field allows you to type text to keep track of items like dates and addresses for filing or other pertinent information that might relate to your company.

Company Activity Log Click the **Company Activity Log** button.



This screen displays a list of all activities performed in the payroll software. You can filter those activities by **Type**, **Employee** and **Warnings**. This helps give an idea of the daily, weekly, monthly, etc. transactions that are entered, modified or deleted.

Chapter 5 Setting Up Departments

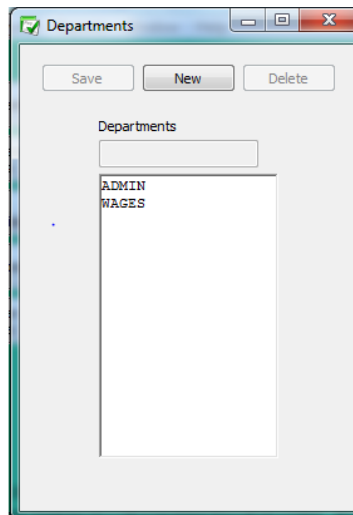
CheckMark Payroll will accommodate up to 99 departments for your company's payroll distribution. Once defined on the **Departments** window, you can assign a default department to an employee and/or define the particular departments that an employee's wages will be distributed to on the **Employees**, **Distribute Hours** or **Allocate Dept/ Jobs** windows. CheckMark Payroll allows you to create new departments, modify or delete existing departments.

Note: Tenant Pro Users

Departments in CheckMark Payroll are Properties in *Tenant Pro*. Your Department list MUST match the Property ID report from *Tenant Pro* in order to post from CheckMark Payroll into *Tenant Pro*. See your *Tenant Pro* manual for more information.

Setting Up Departments

- 1 Click **Setup** in the **Command Center**, then select **Departments**.





- 2 Click **New**.
- 3 Enter a name for the department in the edit box, and click **OK**.

Department names can be up to 17 characters.

Modify Departments

- 1 Click **Setup** in the **Command Center**, then select **Departments**.
- 2 Select the department from the list.
- 3 Modify the department name in the edit box.
- 4 Click **Save**.

Deleting Departments

You can delete a department provided it is not assigned to any employees and has not been used on any existing checks. To delete a department:

- 1 Click **Setup** in the **Command Center**, then select **Departments**.
- 2 Select the department from the list.
- 3 Click **Delete**. An alert appears asking you to verify that you wish to delete the department.
- 4 Click **Yes** to delete the department.

Chapter 6 Federal Tax Values

Important

While CheckMark attempts to maintain up-to-date and accurate tax information, we cannot be responsible for changes or discrepancies in tax values. Please check your *Circular E, Employer's Tax Guide* or state or local tax publication if you are in doubt as to the accuracy of any tax value.

CheckMark has an annual tax update to make sure you are kept up to date on all the latest tax changes and software changes. See the flyer that came with your CheckMark Payroll package or check our web site, www.checkmark.com, for more information on updating.

Users of the current year's version should check online for updates and download available patches to make sure they're always up to date. For details about this, see "Software Updates" on page 2.

Setting Up Federal Tax Values

When you create a new company, or advance an existing company to a New Year, the following federal tax tables and parameters are already set up:

- Federal Single
- Federal Married
- Annual W/H Allowance
- FUTA (Federal Unemployment Tax Act)
- Social Security
- Medicare

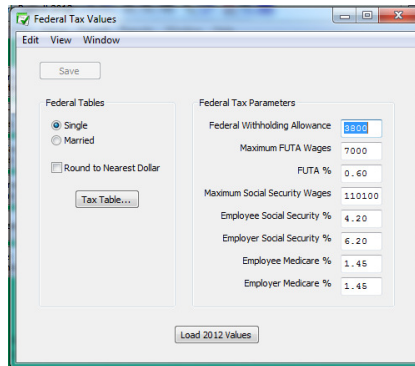
Note

FUTA rate includes the credit of 5.4% for payment of SUTA taxes to your state. If your state is a credit reduction state, the rate may need to be modified.

You assign the appropriate federal table to each employee on the **Employees** window. see "Setting Up Employee Taxes" on page 78.

CheckMark Payroll uses the annual percentage method to calculate Federal withholding. To verify the tax tables that your company is using for calculation:

- 1 Click **Setup** in **Command Center**, then select **Federal Tax Values**.



- 2 Select the radio button next to the desired table to view.
- 3 Click the **Tax Table** button.

To reload the Federal withholding tables and tax parameters in the company data files:

- 1 Select **Setup** in **Command Center**, then select **Federal Tax Values**.
 - 2 Click the **Load “year” Values** button.
 - 3 When prompted to replace existing values, click **OK**.
-

Chapter 7 State Tax Values

Setting Up State Tax Values and SUTA Values

Important: *While CheckMark Inc attempts to maintain up-to-date and accurate tax information, we cannot be responsible for changes or discrepancies in tax values. There may also be additional taxes for your specific state that will need to be setup and maintained by you. Please check your state's current tax publication if you are in doubt as to the accuracy of any tax value.*

State taxes, along with the employee's earnings and withholding allowances, determine how much state tax is withheld from an employee's check.

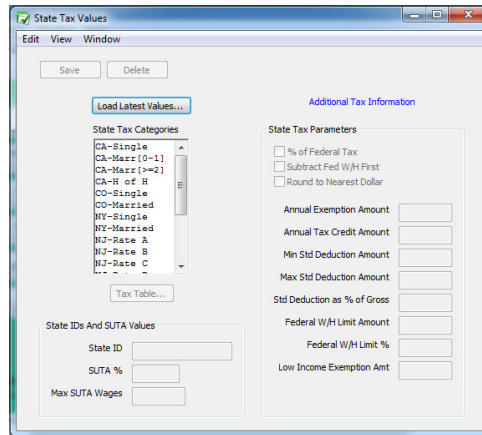
Even if your state doesn't have a tax table, you still need to add your state to the **State Taxes** list, so you can enter your state ID and State Unemployment Tax Authority (SUTA %).

After a state tax has been added to your company, you can assign it to an employee on the **Employees** window. see "Setting Up Employee Taxes" on page 78.

Adding Pre-defined State Taxes to Your Company

CheckMark Payroll accommodates up to 30 state tax tables in your **State Taxes** list. Each employee can be assigned one SUTA and one withholding state. If you don't see the state tax that you need, you can create a new one with the **New** button. see "Creating a New State Tax Table" on page 234.

- 1 Click **Setup** in the **Command Center**, then select **State Tax Values**.



Load Latest Values...

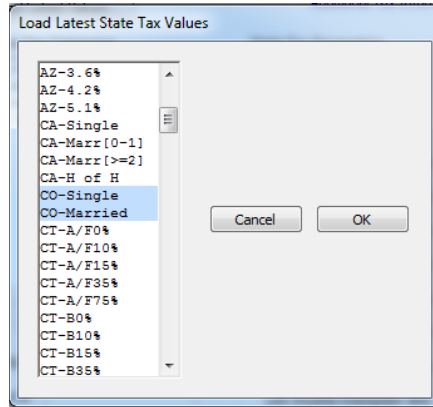
- 2 Click **Load Latest Table...**
- 3 Select one or more states from the list.

Select a state by clicking it in the list or by typing the first letter of its name.

If you need to select more than one table, drag through the list to highlight the desired names. To select non-consecutive states, hold down the CTRL (Windows) key or *Command* (⌘) key (Macintosh) and click the desired names.

OK

- 4 Click **OK**.



Note When possible, the Exemption Total or Tax Credit total, if applicable for the selected state(s), is calculated for you. If the parameters for this calculation cannot be calculated within the program, you will receive an alert advising you to see the information available by clicking the **Additional Web Information** button. This button is a link that will launch a page on CheckMark's website that contains details on manual calculators, as well as other information about your state taxes. An internet connection is required. If you do not have an internet connection, information is available in your state tax guide.

Setting Up Your State ID and SUTA Values

After you've added the appropriate states to your company, do the following:

1 Select a state from the State Taxes list.

If you don't see the state you need, add it with the **Load Latest Tables...** button.

2 Click in the State ID edit box, and enter your state employer identification number. This is the State ID that prints on W-2s. Then press TAB.

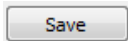
- 3 Enter your **SUTA %** and press TAB.

This is the rate you pay as an employer that has been given to you by your state and is based on an experience rating. If the state has presented this number as a rate rather than a percentage, convert it to a percentage by moving the decimal point two places to the right. For example, the rate of .004 should be entered as .4 in the SUTA % edit box.

- 4 Verify that the value shown for the **Max SUTA Wages** is correct.

The **Max SUTA Wages** amount for the selected state is automatically entered; however, you should use your state tax guide or your company's state unemployment report to verify that it's correct.

Note Assigning the **State ID**, **SUTA %**, and **Max SUTA Wages** for a state tax table automatically assigns those values to all tables for that state.



- 5 Click **Save** in the upper left hand corner.

If you are processing a multistate payroll, repeat steps 1– 5 for each state.

Chapter 8 Local Tax Values

Setting Up Local Tax Values

Important: *While CheckMark Inc attempts to maintain up-to-date and accurate tax information, we cannot be responsible for changes or discrepancies in tax values. There may also be additional taxes for your locality that will need to be setup and maintained by you. Please check your locality's current tax publication if you are in doubt as to the accuracy of any tax value.*

If necessary, local taxes can be configured for your company. The local tax tables, along with the employee's earnings, and the number of withholding allowances (if necessary), determine how much local tax is withheld from an employee's check. CheckMark Payroll accommodates up to 10 local tax tables, but each employee can be assigned only one.

After a local tax has been added to your company, you can assign it to an employee on the **Employees** window. see "Setting Up Employee Taxes" on page 78.

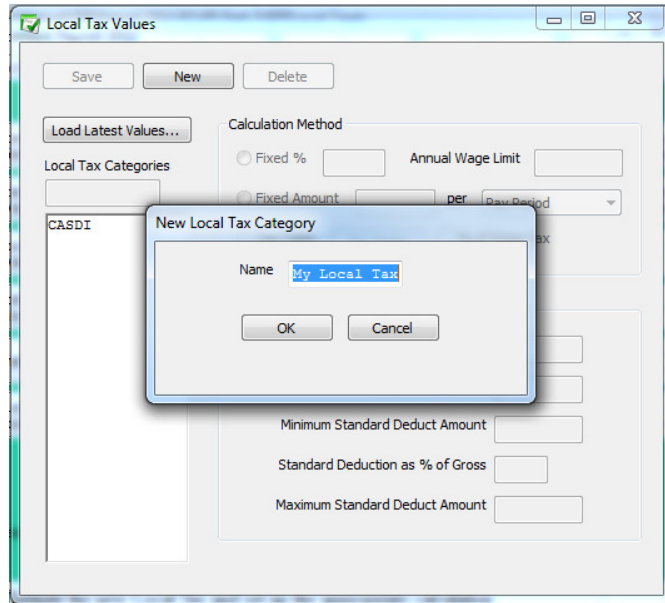
Note If you have more than one local tax per employee, you can also set up a local tax as a deduction. For instructions on setting up deductions see "Creating a New Deduction Category" on page 62.

Creating a New Local Tax Category

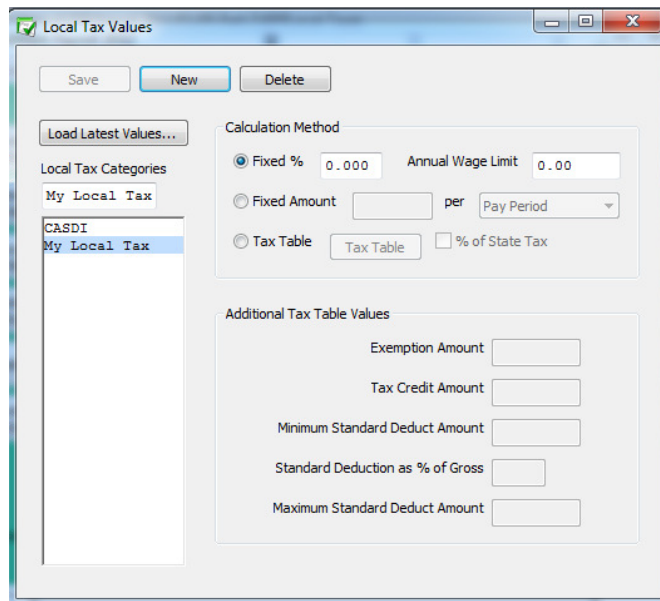
You can add a new Local tax category if the local tax is a Fixed % or Fixed Amount.

Note You cannot create a new Local Tax that uses a tax table for calculation.

- 1 Click **Setup** in the **Command Center**, then select **Local Tax Values**.
 - 2 Click the **New** button at the top of the screen.
 - 3 Enter a name for the new Local Tax.
-



- 4 The new Local Tax should now be added to the list of taxes available. Highlight the new Local Tax and set up the appropriate calculation parameters.



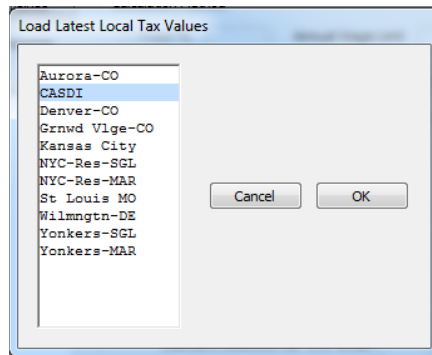
- 5 Click **Save**. For assigning a local tax to the employee(s), see “Local Taxes” on page 82.

Adding Pre-Defined Local Taxes to Your Company

- 1 Click **Setup** in the **Command Center**, then select **Local Tax Values**.
- 2 Click **Load Latest Values..**
- 3 Select one or more local taxes from the list.

Load Latest Values...

Select a local tax by clicking its name in the list or drag to select consecutive tax names. To select non-consecutive local taxes, hold down the CTRL (Windows) key or Command (⌘) key (Macintosh) and click the desired names.

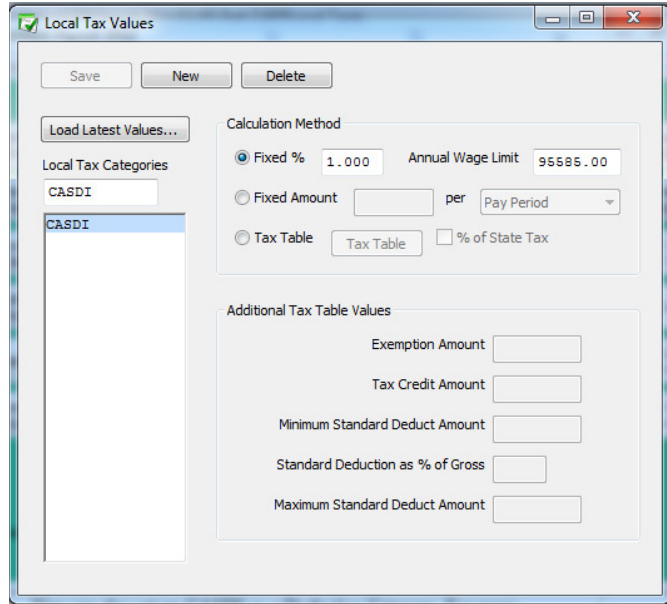


OK

- 4 Click **OK**.

Setting Up CASDI for California Employees

California’s State Disability Insurance (CASDI) should be set up as a Fixed %. Please verify the current rates with EDD or visit the website at www.edd.cahwnet.gov/taxind.htm.



Note You can also set up CASDI as a Deduction Category. For more information, see “Creating a New Deduction Category” on page 62

Chapter 9 Setting Up Hour Categories

Use the Hour Categories window to set up the types of hours that your company uses to calculate pay for hourly employees. You can also set up accrued hour categories, such as sick and vacation.

You can define up to eight hour categories for your company; all of which can be used for any employee.

Important

You should carefully choose the order of the hour categories in the **Hour Categories** list because it determines the order of their appearance on the **Distribute Hours** and **Enter Hours** windows. Setting up hour categories according to their frequency of use with the most used hour category first is recommended.

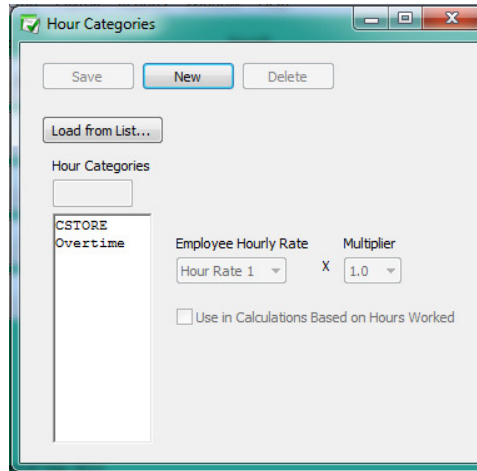
Once you've created at least one set of payroll checks or set up beginning year-to-date balances with the **YTD** view mode on the **Employees** window, you should not change the order, delete or modify the names since this could adversely affect these balances.

CheckMark Payroll comes with several pre-defined hour categories. Click the **Add from List** button in the **Hour Categories** window for a complete list. You can add a pre-defined hour category to your company, and then use it as is or change its definition.

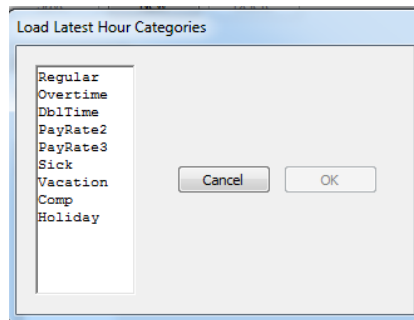
Adding a Pre-Defined Hour Category to Your Company

- 1 Click **Setup** in the **Command Center**, then select **Hour Categories**.
- 2 Click **Load from List**.

Load from List...



- 3 Select one or more hour categories from the list



OK

- 4 Click **OK**.
-

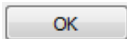
Creating a New Hour Category

If you need an hour category that isn't pre-defined in CheckMark Payroll, use the New button to create a new one.



- 1 Click **New**.

The dialog box titled "New Hour Category" contains a text input field labeled "Name" with a vertical cursor. Below the input field are two buttons: "OK" and "Cancel".



- 2 Enter a name, up to eight characters, for the hour category and click **OK**.
- 3 Define the new hour category.

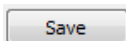
Employee Hourly Rate: Use this drop-down list to select whether Hour Rate 1, 2, 3, or 4 should be used for the hour category. The hourly rate is assigned to each employee on the Employees window.

Multiplier: Use this drop-down list to select the multiplier (1, 1.5, 2, 0.5) by which an employee's hourly rate should be multiplied.

For example: Regular would be defined as Hour Rate 1 x 1. Overtime would be defined as Hour Rate 1 x 1.5. Employee Brian makes \$8/hour. Regular hours would be paid at \$8/hour (1 x \$8) and overtime at \$12/hour (1.5 x \$8).

Use in Calculations Based on Hours Worked: Check this option if the hours in this category should be included for income and deduction calculations based on Fixed Amount/Hour Worked. An example would be Labor & Industry taxes in the state of Washington.

You should also check this option if you plan on accruing hours such as vacation or sick based on hours worked. For example, you wish to accrue vacation on regular hours worked. Check this option on Regular so that each hour worked by those employees would accrue vacation on them at the rate set on the Employee window.



- 4 Click **Save**.

Modifying an Hour Category

Once you have created at least one check or setup YTD balances on the Employee window, modifying an hour category is NOT recommended since it could adversely affect balances.

- 1 Click **Setup** in the **Command Center**, then select **Hour Categories**.
- 2 Select the hour category from the **Hour Categories** list.
- 3 Use the **Employee Hourly Rate** and **Multiplier** drop-down lists to change the hour category's definition.
- 4 Click **Save**.

A rectangular button with rounded corners and a light gray background, containing the text "Save" in a dark gray font.

Deleting an Hour Category

You can delete an hour category as long as there are no employee checks or employee year-to-date balances associated with it.

Important **Once you've created at least one set of payroll checks or set up beginning year-to-date balances with the YTD view mode on the Employees window, you should not change the order, delete or modify the names since this could adversely affect these balances.**

- 1 Select the hour category from the **Hour Categories** list.
- 2 Click **Delete**.

A rectangular button with rounded corners and a light gray background, containing the text "Delete" in a dark gray font.

CheckMark Payroll asks you to verify that you want to delete the hour category.

A rectangular button with rounded corners and a light blue background, containing the text "Yes" in a dark blue font.

- 3 Click **Yes**.
-

Chapter 10 Setting Up Additional Income

The **Additional Income** window allows you to set up the types of income, such as mileage or tips, that your company uses in addition to a salary or hourly wages to calculate an employee's pay. You can set up your own or add pre-defined categories which can be modified if need be.

Note You can assign ledger accounts to each Additional Income category for transferring or posting Additional Income amounts to an accounting system. See "Chapter 14 Setting Up Ledger Accounts" on page 97.

You can add up to 40 **Additional Income** categories for your company and assign up to eight per employee.

Once set up on the Additional Income window, a category can be assigned to an employee on the **Employees** window. See "Setting Up Employee Additional Income" on page 83.

Important **Do not delete any Additional Income categories once the first check for the year has been created. The only time a category should be deleted is after the New Year file has been created, but before any checks have been created.**

Important **Do not change the tax status on any Additional Income category once the first check of the year has been created. To make a change to the tax set up mid year, stop the category from being applied by simply modifying the amount/rate to zero. Then create a new category with the correct tax set up to be applied.**

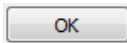
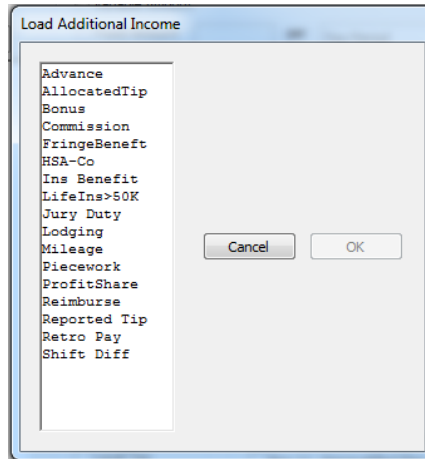
Adding Pre-Defined Additional Income Categories to Your Company

Important Pre-defined incomes are setup using general tax guidelines. Verify the tax setup with current tax laws including your state and/or locality. You can modify any pre-defined income.

- 1 Click **Setup** in the **Command Center**, then select **Additional Income**.

Load from List...

- 2 Click **Load from List...**
- 3 Select one or more categories from the list.



4 Click **OK**.

Creating a New Additional Income Category

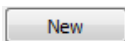
If you need an Additional Income category that's not pre-defined, use the **New** button to create a new one.

Note When adding a new income (not applicable for Variable calculation) or modifying a rate or amount, you will be prompted to “**Change Amount/Rate for all employees assigned this income category?**” when you click Save. If this is a new income category setup, selecting either Yes or No will have no effect. If you modify an existing income category:

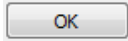
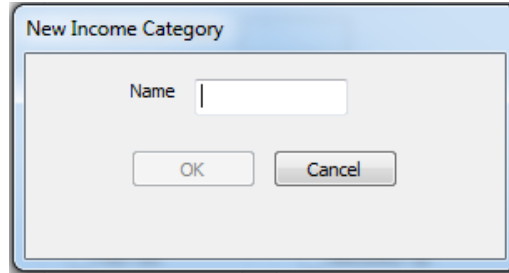
- Clicking **Yes** overrides any specific amount entered on the Employees window to the amount/rate entered and saved on the additional Income window.

- Clicking **No** leaves the specific amount entered on the Employees window.

1 Click **Setup** in the **Command Center**, then select **Additional Income**.



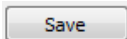
2 Click **New**.



- 3 Enter a name, up to 12 characters long, for the category and click **OK**.
- 4 Select the calculation method for the **Additional Income** category.
See “Calculation Methods” on page 54.
- 5 Define the Additional Income parameters. For more information on what each parameter means, See “Items in the Additional Income Window” on page 54.

Tip **If the rate/amount of the Additional Income is the same for ALL employees** - enter the rate/amount in the edit box on this window. Then, that amount will be entered on the Calculate Pay window for all employees you assign the Additional Income to on the Employees window.

If the rate/amount of the Additional Income is different for each employee - enter zeroes on this window. Then, modify the rate/amount on the Employee window when you assign the income to the employee.

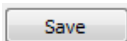


- 6 Click **Save** when you have finished defining the category.

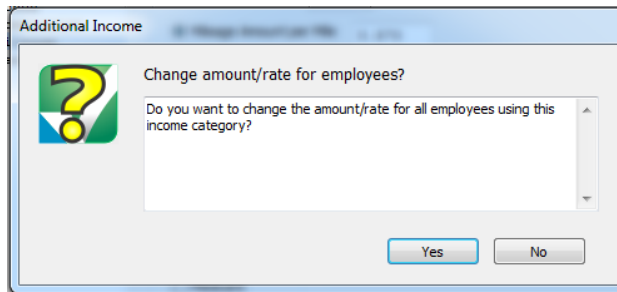
Modifying an Additional Income Category

Important **Do not change the tax status on any Additional Income category once the first check of the year has been created. To make a change to the tax set up mid year, stop the category from being applied by simply modifying the amount/rate to zero. Then create a new category with the correct tax set up to be applied.**

- 1 Click **Setup** in the **Command Center**, then select **Additional Income**.
- 2 Select the category from the **Additional Income** list.
- 3 Make the necessary changes to the category’s definition.
- 4 Click **Save**.



- 5 When modifying a rate or amount, you will be prompted to change for all employees. Select yes or no.



- Yes** Clicking Yes overrides any specific amount entered in the Employee Set Up window under the employees Income Tab screen
- No** Clicking No leaves the specific amount in the Employee Set Up window under the employees Income Tab screen as previously entered
- 1 **Example 1:** You update the amount of mileage reimbursement from .445 cents/mile to .565 cents/mile in the Additional Income window and click Save. When prompted to Change Amount/Rate, clicking Yes will update all employees that have the mileage category assigned and update those values regardless of what value was entered previously.
- 2 **Example 2:** You set up a category for commissions based on percent of sales. Each employee this applies to might have their own specific amount. When saving this category, selecting No upon this Change Amount/Rate screen, all values entered in the Employee Set Up screen under the Income tab will remain and each person will continue to have specific amounts.

Note If no employees have this category assigned to them in the Employee Set Up window, selecting Yes or No will have no effect

Deleting an Additional Income Category

You can delete an Additional Income category as long as there aren't any employee checks or year-to-date balances associated with it and it is not assigned to any employees.

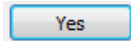
Important **Do not delete any Additional Income categories once the first check for the year has been created. The only time a category should be deleted is after the New Year file has been created, but before any checks have been created.**

- 1 Click **Setup** in the **Command Center**, then select **Additional Income**.
- 2 Select the category from the Additional Income list.



- 3 Click **Delete**.

CheckMark Payroll asks you to verify that you want to delete the Additional Income category.



- 4 Click **Yes** to delete the category.

Items in the Additional Income Window

Calculation Methods

Variable Amount

Amount paid to an employee varies with each pay period. If this option is selected, the amount that appears on the **Calculate Pay** window will always be 0.00 until you override and enter the amount of the additional income.

Fixed Amount per Pay Period, Hour Worked, 1st Chk of Month, or 1st Chk of the Quarter

Select **Fixed Amount per Pay Period** if the amount paid to an employee is the same each pay period. Select **Fixed Amount per Hour Worked**, if the amount paid to an employee is multiplied by the number of hours worked that pay period. Hour Categories defined with **Use in Calculations Based on Hours Worked** are used in this calculation. Select **Fixed Amount per 1st Check of Month** if the amount paid to an employee is the same each month. The amount will be added to the first paycheck created for the month. Select **Fixed Amount per 1st Check of the Quarter** if the amount paid to an employee is the same each quarter. The amount will be added to the first paycheck created for the quarter.

There are two ways to handle a Fixed Amount income category:

Fixed % of Sales

Select **Fixed % of Sales** if the Additional Income should be calculated as a fixed percentage of an employee's total sales, such as a commission. The value entered here should be a percent, not a decimal value. For example, a decimal value of .015 should be entered as 1.5.

Apply to Wages

With option **Fixed % of Sales** selected, select **Apply to Wage** check box if the Additional Income should be calculated as a fixed percentage of an employee's total wages. The value entered should be a percent, not a decimal value. For example a decimal rate of .015 should be entered as 1.5.

There are two ways to handle a Fixed % of Sales or Fixed % of Wages income category:

◆If the Fixed % is the same for all employees:

You can enter the rate/amount in the edit box on this window. This

amount will then be entered automatically on the Calculate Pay window for all employees who are set up to receive this Additional Income.

◆If the Fixed % is the different for each employee:

You can modify the amount for each employee on the Income tab of the Employee Setup window. For more information, see “Setting Up Employee Additional Income” on page 83.

**Mileage Amount
per Mile**

Select **Mileage Amount/Mile** if the Additional Income should be calculated on the number of miles an employee drives.

Once you’ve assigned the category to an employee, you can enter the number of miles on the **Calculate Pay** window.

Piecework Rate

Select **Piecework Rate** if the Additional Income should be calculated on a rate an employee receives for a quantity you enter.

Once you’ve assigned the category to an employee, you will enter the number of pieces on the **Calculate Pay** window.

Other Options

Omit from Net

Check this option if the income category should only be added to an employee’s wages for taxing purposes but not included in the net of the employee’s check. An example where this would be used is Reported Tips. Incomes with this selected will not post into your accounting program.

**Include in Wages for
Dept/Job Posting**

Check this option if the income category amount should be included in the Department or Job wage distribution when posting to your accounting program.

Tip Income Options

You can check *either* Allocated Tip or Reported Tip but not both.

Important

When either Reported Tip or Allocated Tip is checked, other checkboxes, such as Tax Status options, are automatically set. However, you should verify these settings according to current tax laws.

Allocated Tip

Check **Allocated Tip** if the income should *not* be included in net pay nor subject to any employee withholding taxes. The Allocated Tip amount will appear in the Allocated Tips box of the employee’s W-2 at year end.

Reported Tip

Check **Reported Tip** if the income should *not* be included in net pay, but is subject to Social Security and Medicare, federal, state, and local withholding taxes. Reported tips are also subject to employer taxes.

Exempt From Options

By checking the appropriate options, you can classify an Additional Income category as exempt from any combination of the following taxes: See your *Circular E, Employer's Tax Guide*, state or local tax guide to determine the correct handling of individual income items. While all Additional Income categories will appear as part of Gross Wages, how they are reported on reports such as Form 941, State Wages Summary or W-2 Statements is determined by your setup here.

Federal Tax	Check Federal Tax if the income should be exempt from Federal Withholding tax.
Social Security	Check Social Security if the income should be exempt from Social Security Withholding.
Medicare	Check Medicare if the income should be exempt from Medicare Withholding.
FUTA	Check FUTA if the income should be exempt from Federal Unemployment tax.
State Tax	Check State Tax if the income should be exempt from State Withholding tax.
SUTA	Check SUTA if the income should be exempt from State Unemployment tax.
Local Tax	Check Local Tax if the income should be exempt from Local Withholding tax.
Deduction (%)	Check Deduction (%) if the income should not have a Fixed % Deduction item applied to it. For example, you may not want to take a 401(k) deduction out of a bonus. Setting this up in CheckMark Payroll is a two-step process. The following instructions explain how:

Step 1—Set up the Additional Income Item

- 1 Highlight an Additional Income item in the list.
You can also click **Add from List** to add an Additional Income item, or click **New** to create one from scratch.
- 2 Check the **Deduction (%)** option in the **Exempt From** list.
- 3 If necessary, continue setting up the Additional Income item. Then, when you're finished, click **Save**.
- 4 Close the window.

Step 2—Set up the Deduction Item

- 1 Click **Deductions** in the **Command Center**.
 - 2 Highlight an existing Fixed % Deduction item in the list.
-

You can also click **Add from List** to add a Deduction item, or click **New** to create one from scratch.

- 3 Choose **Wages-Exempt Income** from the **Apply to** drop-down list.
- 4 If necessary, continue setting up the Deduction item. Then, when you're finished, click **Save**.
- 5 Close the window.

See your *Circular E, Employer's Tax Guide* or state tax guide to determine the correct handling of individual income items.

W-2 Options

- | | |
|---------------------------------------|--|
| Box 10-Dependent Care Benefits | Check this option if you want the Additional Income amount to print in Box 10, Dependent Care Benefits, on the W-2. |
| Box 11 | Check this option if you want the Additional Income amount to print in Box 11, Non-Qualified Deferred Compensation, on the W-2. |
| Sec 457 | Check this option if you have selected Box 11 and the non-qualified deferred compensation is a section 457(b) plan. |
| Box 12 | Check this option if you want the Additional Income's code and amount to print in Box 12 of the W-2 Statement. A Code must also be entered when this is selected. Refer to the Instructions for Form W-2 from the IRS for the code to be entered here. Codes are entered as capital letters. |
| Box 12 Code | Enter the one-letter code using a capital letter. Refer to the "Instructions for Form W-2" section of the IRS publication Federal Employment Tax Forms for guidelines about what codes to use for Box 12. |
| Box 14-Other | Check this option if you want the Additional Income category's amount and description to be included in Box 14 on the W-2 form. |

Chapter 11 Setting Up Deductions

Use the **Deductions** window to setup deductions from employee's pay in addition to setting up tax categories. Depending on your location, deductions can be setup for special tax categories required to be withheld. CheckMark Payroll allows you to add pre-defined deductions, create new deductions, modify existing deductions or delete deductions not being used in the Deduction list. Pre-defined deductions can be modified once they are in the Deduction list.

Note You can assign ledger accounts to each Deduction category for transferring or posting Deduction amounts to an accounting system. See "Chapter 14 Setting Up Ledger Accounts" on page 97.

You can define up to 60 Deduction categories for your company and assign up to 16 per employee.

Important **DO NOT delete any Deduction categories once the first check for the year has been created. The only time a category should be deleted is after the New Year file has been created, but before any checks have been created.**

DO NOT change the tax status on any Deduction category once the first check of the year has been created. To make a change to the tax set up mid year, stop the category from being applied by simply modifying the amount/rate to zero. Then create a new category with the correct tax set up to be applied.

Adding Pre-Defined Deduction Categories to Your Company

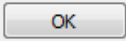
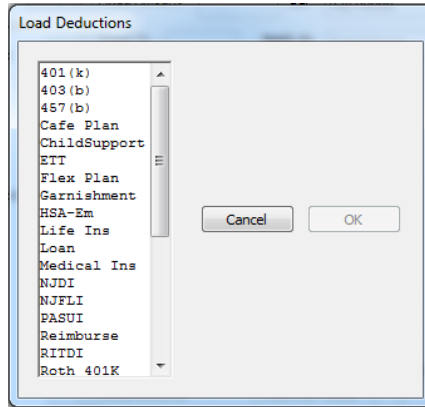
- 1 Click **Setup** in the **Command Center**, then select **Deductions**.

The screenshot shows the 'Deductions' window with the following sections:

- Buttons:** Save, New, Delete, Load from List...
- Deduction List:** ETT, Garnishment, Dental, Accd Ins 1, Accd Ins 2, Accd Inc 3, Accd Inc 4, Life Ins 1, Life Ins 2, ChildSupport, CASDI.
- Calculation Method:** Variable Amount, Fixed Amount (per Pay Period), Fixed % (Apply to Total Wages).
- Limit Type:** Annual Wages, Amount.
- Employer Match:** Type (None), Amount/Rate, Wage Limit, Match if No Employee Deduction.
- Deduct Before:** Federal Tax, Social Security, Medicare, FUTA, State Tax, SUTA, Local Tax.
- W-2 Options:** Box 10 - Dependent Care Benefit, Box 12 - Code, Box 14 - Other, Box 18-20 - Local Tax.

Load from List...

- 2 Click **Load from List...**
- 3 Select one or more categories from the list.



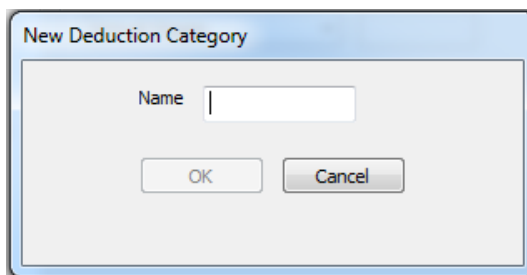
4 Click **OK**.

Important Pre-defined Deductions are setup using general tax guidelines. Verify the tax setup with current tax laws including your state and/or locality. You can modify any pre-defined deduction.

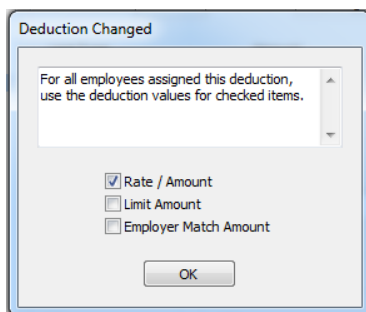
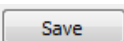
Creating a New Deduction Category

If you need a Deduction category that's not pre-defined, use the **New** button to create a new one.

- 1 Click **Setup** in the **Command Center**, then select **Deductions**.
- 2 Click **New**.
- 3 Enter a name for the category, up to 12 characters, and click **OK**.



- 4 Define the **Deduction** parameters. For further description of each parameter see "Items in the Deductions Window" on page 64.
- 5 Click **Save** when you've finished defining the category.
- 6 You will be prompted to change selected items for all employees assigned this deduction. Click **OK**.



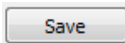
Change All pop up message: For each checkbox marked, the number entered in the Employee Setup under the Deductions tab will be overridden to the number set in this screen.

Example: A 401(k) annual deduction limit has changed for the payroll year and you modify the limit amount and hit the Save button. When the Change All pop up box comes up, select the **Limit Amount** checkbox the click **OK**. You will only have to modify any employee with a different limit amount rather than, most likely, the majority of employees.

Modifying a Deduction Category

Important Do not change the tax status on any Deduction category once the first check of the year has been created. To make a change to the tax set up mid year, stop the category from being applied by simply modifying the amount/rate to zero. Then create a new category with the correct tax set up to be applied.

- 1 Click **Setup** in the **Command Center**, then select **Deductions**.
- 2 Select the category from the **Deduction** list.
- 3 Make the necessary changes to the category's definition.
- 4 Click **Save**.
- 5 You will be prompted if the deduction values (**Rate/Amount**, **Limit Amount**, or **Employer Match Amount**) should apply to all employees assigned the deduction. Select the appropriate check boxes and click **OK** to make changes for all employees using the deduction.



Deleting a Deduction Category

You can delete a Deduction category as long as there are no employee checks or year-to-date balances associated with it and it is not assigned to any employees.

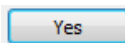
Important Do not delete any Deduction categories once the first check for the year has been created. The only time a category should be deleted is after the New Year file has been created, but before any checks have been created.

- 1 Click **Setup** in the **Command Center**, then select **Deductions**.
- 2 Select the category from the **Deduction** list.



- 3 Click **Delete**.

CheckMark Payroll asks you to verify that you want to delete the Deduction category.



- 4 Click **Yes** to delete the category.

Items in the Deductions Window

Calculation Methods

Variable Amount

Select **Variable Amount** if the Deduction amount for an employee varies with each pay period. If this option is selected, the amount that appears on the **Calculate Pay** window will always be 0.00 until you override and enter the amount of the deduction.

Fixed Amount per Pay Period, Hour Worked, 1st Chk of Month, or 1st Chk of the Quarter

Select **Fixed Amount per Pay Period** if the deduction amount is the same each pay period. Select **Fixed Amount per Hour Worked** if the amount deducted from an employee is multiplied by the number of hours worked of that pay period. Hour categories defined with the option to **Use in Calculations Based on Hours Worked** are used in this calculation.

Select **Fixed Amount per 1st Chk of Month** if the deduction amount is the same each month. The income will be deducted from the first paycheck created for the month.

Select **Fixed Amount per 1st Chk of Quarter** if the deduction amount is the same each quarter. The income will be deducted from the first paycheck created for the quarter.

There are two ways to handle a Fixed Amount deduction category:

◆ **If the Fixed Amount is the same for all employees:**

You can enter the amount in the edit box on this window. This amount will be entered automatically on the **Calculate Pay** window for all employees who are assigned this deduction.

◆ **If the Fixed Amount is the different for each employee:**

You enter 0.00 here and modify the rate/amount for each employee on the Deduction tab of the Employee Setup window. For more information on this, see “Setting Up Employee Deductions” on page 85.

Fixed %

Select **Fixed %** if the amount deducted from an employee is calculated as a percentage of their wages. You can have this **Fixed %** be deducted from total wages, federal withholding wages, state withholding wages, Wages-Exempt Income, or SUTA wages by selecting the appropriate option from the **Apply to:** drop down list. The value entered here should be a percent, not a decimal value. For example, a decimal value of .015 should be entered as 1.5.

There are two ways to handle a Fixed % deduction category:

◆ **If the Fixed % is the same for all employees:**

You can enter the amount in the edit box on this window. This amount will be entered automatically on the Calculate Pay window for all

employees who are assigned this deduction.

◆**If the Fixed % is the different for each employee:**

Enter 0.00 here and modify the rate/amount for each employee on the **Deductions** tab of the **Employee Setup** window. For more information on this, see “Setting Up Employee Deductions” on page 85.

Note If you have a deduction based on disposable wages you will need to choose **Disposable Wages** under the drop down for **Apply to**. This basic setup is subtracting all deductions required by law (Federal, State, Local, SS and Med are already included) from the employee’s gross earnings.

There are certain rules and situations on what is to be included or not included. For example, tips are not included for disposable earnings while state unemployment or disability tax is included. The **Deduction** and **Additional Income** setup screens both contain a checkbox for **Include in Disposable Wages Calculations** to include the calculation of disposable wages.

Deduction Limit Options

Limit Type You can set the **Limit Type** for a deduction defined as **Fixed Amount** (per Pay Period, 1st Check of Month, or Hour Worked) or **Fixed %** by selecting the appropriate **Limit Type** from the pop-up list. You can choose a deduction limit type of Annual Wages, Loan Amount, Annual Deduction Amount, Pay Period, or Monthly.

Note As with the calculation methods in the last section, if the limit amount is the same for all employees, enter the amount in this screen. If it is a different amount for each employee, insert 0.00 in this screen and modify the deduction limit amount in the Employee Setup under the Deduction tab.

- If you choose **Annual Wages** as the Limit Type, the deduction will be taken out of the employee’s pay each pay period until the employee’s annual wages meet or exceed the amount you enter in the edit box or the limit setup in the Deduction tab of the Employee Setup.
 - If you choose **Loan Amount** as the Limit Type, the deduction will be taken out of the employee’s pay each pay period until the loan amount you enter in the edit box is reached.
 - If you choose **Annual Deduction Amount** as the Limit Type, the deduction will be taken out of the employee’s pay until the annual deduction limit you enter in the edit box is reached.
-

- If you choose **Pay Period** as the Limit Type, the deduction will be taken out of the employee's pay up to the maximum deduction limit for the pay period.
- If you choose **Monthly** as the Limit Type, the deduction will be taken out of the employee's wages for each paycheck of the month until the deduction limit you enter in the edit box is reached for the month.

Employer Match Options

Employer Match Type	You can set the matching type for a deduction by selecting either Fixed Amount , Fixed % , or Hour Worked from the drop down list.
Amount/Rate	<p>Enter the amount or rate for the employer match. If you have Fixed Amount or Hour Worked selected as the Employer Match Type, the amount you enter in the Amount/Rate edit box is treated as a dollar amount.</p> <p>If you have Fixed % selected as the Employer Match Type, the amount you enter in the Amount/Rate edit box is treated as a percentage of the employees wages. The rate entered can be modified for each employee in the Deductions tab in Employee Setup.</p>
Wage Limit	If necessary, enter the employee wage at which the employer match should stop calculating. This cannot be entered or overridden in the Employee Setup.
Match if No Employee Deduction	Use this box if a deduction has no employee portion, but should still have an employer portion. An example of using this box is for California's ETT, Employer Training Tax. ETT does not have an employee deduction, but does have a Fixed % the employer contributes, so the Match if no Employee Deduction box should be checked.

Deduct Before Options

By checking the appropriate options, a deduction will be deducted *before* the following taxes:

- Federal Tax
- Social Security
- Medicare
- FUTA
- State Tax
- SUTA
- Local Tax

See your *Circular E, Employer's Tax Guide* or state tax guide to determine the correct handling of individual deduction items.

W-2 Box Selections

You should refer to the “Instructions for Form W-2” section of the IRS publication Federal Employment Tax Forms for guidelines about where deductions and codes should print on W-2s.

**Box 10 - Dependent
Care Benefits**

Checking causes the year-to-date total for the dependent care benefits deduction to appear in Box 10 of an employee’s W-2.

Box 12

Checking causes the deduction’s code and amount to be included in Box 12 on a W-2 form.

Box 12 - Code

Check this option if you wish the Deduction amount to print in Box 12 of the W-2. A Code must also be entered when this is selected. Refer to the Instructions for Form W-2 from the IRS for the code to be entered here. Codes are entered as capital letters.

Box 14 - Other

Checking causes the deduction’s name and amount to be included in Box 14 on a W-2 form.

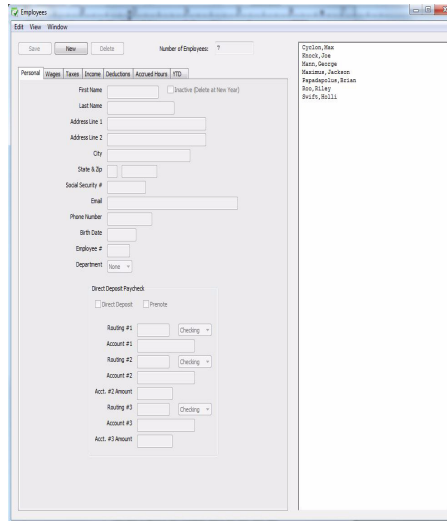
**Box 18 - 20
Local Tax**

Check this option if you wish the Deduction and description to print in Boxes 18-20 - Local Tax. Wages reported in box 18 are YTD wages even if the deduction was created and assigned mid-year.

Chapter 12 Setting Up Employees

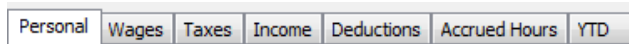
The items you assign to individual employees will have been set up previously in the prior sections. If you have not setup all items you will need, for example deductions, additional incomes, etc., set those up prior to setting up the employees.

CheckMark Payroll does NOT limit the number of employees in your company. The number of employees in the employee list is displayed in the **Number of Employees:** field.



Using the Employee View Tabs

View tabs allow you to quickly access different information about an employee.



Viewing different information about your employees is as easy as clicking the appropriate tab.

Personal Use this view tab to enter information such as name, address, social security number, employee #, and default department.

Wages Use this view tab to set up wage information, such as salary or hourly rate, pay frequency, hire/terminate dates, last raise date, and department/job distribution percentages.

- Taxes** Use this view tab to set up an employee's W-4 options, advance EIC payments, and federal, state, and local tax withholdings.
- Income** Use this view tab to assign up to eight Additional Income categories to an employee.
- Deductions** Use this view tab to assign up to 16 Deduction categories to an employee.
- Accrued Hours** Use this view tab to assign up to three accrued hour categories, such as sick or vacation, for an employee. Employees can earn a set amount by month, year, hour worked or pay period.
- YTD** Use this view tab to enter an employee's beginning year-to-date balances for wages, Additional Income categories, Deduction categories, and taxes, if necessary. For more information, see "Setting Up Employee YTD Balances Mid Year" on page 89.

How to Set Up an Employee

Since the employee list is available in all view tabs, you can set up your employees in one of three ways:

- Set up all your employees within the same view tab and then select the next view tab.

Important **SUTA State** must be selected for each employee before saving employee information or a default SUTA State will be assigned to the employee.

The default state will be the state you have setup in the **Company Information** window. If you don't have a state setup in Company Information, the default will be the first state listed in the **State Taxes Setup**. If you don't have any states setup in the State Taxes Setup, you will not be able to save any information in the **Employee Setup** other than **Personal Information**.

- Set up an employee completely within all the view tabs and then start setting up the next employee.
- Import employees personal or wage information from another software program. For more information on importing employee information, see "Import Employee Information" on page 103

Setting Up a New Employee

You can start setting up a new employee from within any of the view tabs on the Employees window.

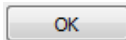
- 1 Click **Setup** in the **Command Center**, then select **Employees**.
-



- 2 Click **New** in the tool bar.

The dialog box titled "New Employee" contains two text input fields: "First Name" and "Last Name". Below the fields are two buttons: "OK" and "Cancel".

- 3 Enter the employee's first name and press TAB.



- 4 Enter the employee's last name and click **OK** or press ENTER.

Warning Punctuation marks such as a comma (,) in an employee's name for items such as suffixes can cause errors when posting payroll information into certain accounting programs.

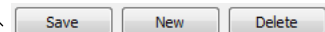
The employee's name is added to the employee list.

You can either continue setting up the employee in the current view mode, or you can change to another view mode.

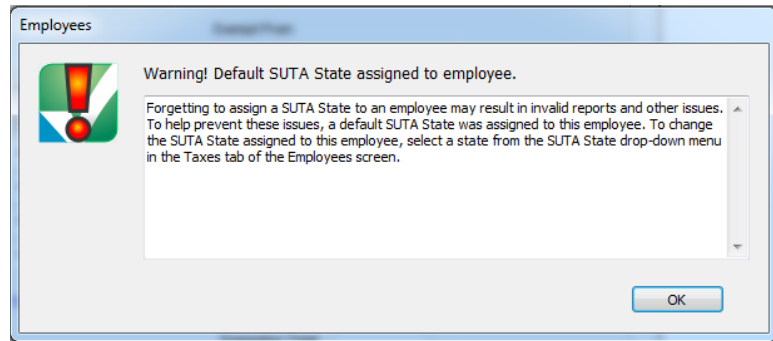
Saving an Employee's Setup

Click **Save** to update the employee's record when you've finished setting up an employee.

Click Save when you're finished updating an employee.



If no **SUTA State** is selected, an alert appears reminding you that a SUTA State has not been selected and a default **SUTA State** will be assigned to the employee



Note You will not be able to setup your employees until your company state tax tables are setup.

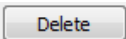
Deleting an Employee

Note You can mark a terminated employee as inactive by checking the **Inactive** checkbox on the Personal view tab. When you start the new year, employees marked as Inactive are automatically deleted.

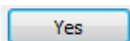
You can delete an employee as long as there aren't any year-to-date balances associated with the employee.

To delete an employee, do the following:

- 1 Click **Setup** in the **Command Center**, then select **Employees**.
- 2 Select the **Personal** view tab.
- 3 Select the employee from the employee list.
- 4 Click **Delete**.



CheckMark Payroll asks you to verify that you want to delete the employee.



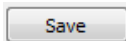
- 5 Click **Yes** to delete the employee.
-

Setting Up Employee Personal Information

- 1 Select the **Personal** view tab on the **Employees** window.
- 2 Select an employee from the employee list.

If you are setting up a new employee, click **New** in the tool bar.

- 3 Enter the personal information for employee.
- 4 Click another view tab after you've finished entering the employee's personal information to continue setting up the employee, or click **Save**, after assigning a SUTA State on the Taxes View Tab.



Fields in the Employee Personal View Tab

- First Name** For a new employee, click the **New** button in the tool bar to enter the employee's first name, up to 15 characters.
- Last Name** For a new employee, click the **New** button in the tool bar to enter the employee's last name, up to 20 characters.
- Address Lines 1** The address that you enter (including City, State, and Zip) will appear on the employee's paychecks and W-2s.
- Address Line 2** This is the employee's delivery address. Address Line 2 will accommodate up to 30 characters. If both Address Line 1 and Address Line 2 are filled in, both lines will print on employee checks and reports.
- City** Enter the employee's city up to 25 characters.
- State & Zip** Enter the 2-letter postal code for the state and the 5-digit ZIP code. The ZIP code field can also accommodate the 4-digit extension.
- Social Security Number** Enter the employee's social security number. You must include the hyphens.

Email Address Enter the employee's email address to send the employee's paycheck stub to them electronically. You can enter up to 40 characters.

Phone Number Enter the employee's phone number, including an area code.

Birth Date Enter the employee's birth date in the MM/DD/YY format. However, you do not need to enter any leading zeros. For example, enter March 7, 1960 as 3/7/60.

Employee # The employee number must be greater than 0 and can accommodate up to 6 digits. If assigned, an employee's number will print on the check stub.

Tip: In states such as CA that don't allow the full social security number to print, you can have the last 4 digits print or use a unique employee number. You can use the last 4 digits of the social security number as the employee number and this will print on the paycheck stub under the employee name. Use the **Suppress SS# Print** option located in the **Print Paychecks** screen to completely suppress the Social Security number. For information on sorting employee lists and reports by employee number, see Chapter 21, Setting Preferences.

Department The department assigned here will determine which department heading the employee will appear under in lists and reports. Employee wages will default to this department for posting and department reports.

Inactive (Deleted when Creating New Year) Choose this option for employees that no longer work but have YTD balances. Inactive employees (such as terminated employees) appear after active employees in employee lists and reports and are marked by an asterisk (*) preceding their names.

You can print W-2s for inactive employees and inactive employees are included in the employee count for W-3s when in the previous year. When you start the new year, all inactive employees are automatically deleted from your new year company files.

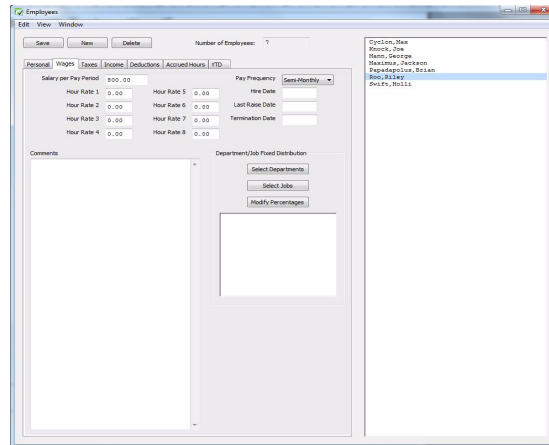
Direct Deposit Paycheck

Setup these options if you wish to use either ACH Direct Deposit through your own financial institution or Web Direct Deposit through National Payment Corporation. For more information, see “Using CheckMark Payroll for ACH Direct Deposit” on page 247.

- Direct Deposit** Check this option for employees set up for either **Direct Deposit** with your own financial institution or for **Web Direct Deposit** through National Payment Corporation. You should contact your financial institution for more information on getting set up for direct deposit. Once you are set up with your financial institution, see “Using CheckMark Payroll for ACH Direct Deposit” on page 247. For more information on signing up for **Web Direct Deposit**, please contact National Payment Corporation at www.directdeposit.com.
- Prenote** Check this option if the employee is joining an existing direct deposit program. **Prenote** is used to test that the routing and account information go through the electronic banking system without problems. Prenoting an employee will zero their direct deposit check, but you are able to print a check for the employee on the Print Paychecks window.
- Checking/Savings** Select either **Checking** or **Savings** on the drop-down list depending on the type of account the employee is depositing into. If the employee is depositing into 2 accounts, this will need to be set on each account.
- Routing #1** Enter the 9-digit routing number for the employee’s account. If the employee is depositing into 2 accounts, this is the routing number to the account that the remainder of the paycheck will be deposited. Account #2 has a specified amount entered.
- Account #1** Enter the account number for the direct deposit. Up to 16 digits are accommodated in this field.
- Routing #2** Enter the 9-digit routing number for the employee’s account.
- Account #2** Enter the account number for the employee’s account.
- Acct. #2 Amount** Enter the amount that is to be deposited in the second account. The remainder of the paycheck will be direct deposited into Account #1.
- Routing #3** Enter the 9-digit routing number for the employee’s third account.
- Account #3** Enter the account number for the employee’s account.
- Acct. #3 Amount** Enter the amount that is to be deposited in the 3rd account. The gross amount of the check must cover all allocations or any remainder will be allocated to Account 1.
-

Setting Up Employee Wages

- 1 Select the **Wages** view tab on the **Employees** window.

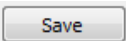


- 2 Select an employee from the employee list if one is not already selected.
- 3 Enter the amount of salary that the employee receives each pay period in the **Salary per Pay Period** edit box if the employee is salaried.
- 4 Enter the amount per hour in the **Hour Rate 1** edit box if the employee is paid by the hour.

An employee can be paid up to 8 different hourly rates. These hourly rates, along with the hour categories set up on the **Hour Categories** window, are used to calculate wages for hourly employees. For details about hour categories, see “Chapter 9 Setting Up Hour Categories” on page 45.

Note Don’t enter hourly rates, such as overtime or double-time, since these are defined on the Hour Categories window.

- 5 Select how often the employee is paid from the **Pay Frequency** drop-down list.
- 6 Continue entering employment information, such as the employee’s hire date, last raise date, and department/job distribution percentages.
- 7 Click another view mode to continue setting up the employee or click **Save** after you’ve finished entering the employee’s wage information and assigning a SUTA State on the Taxes View Tab.



Items in the Wages View Tab

Salary per Pay Period	If the employee is paid a salary, enter the amount that the employee receives <i>each pay period</i> .
Hour Rate 1, 2, 3 & 4	<p>If the employee is paid by the hour, enter the amount per hour in the edit box. You don't have to enter .00 for whole dollar rates.</p> <p>Hour Categories and Hour Rate 1-4 calculate together to determine gross wages for an hourly employee. Hour Categories are set up on the Hour Categories window.</p>
Pay Frequency	Use this drop-down list to choose how often the employee is paid. You can choose Daily, Weekly, Bi-Weekly (every two weeks), Semi-Monthly (twice a month), Monthly, Quarterly, Semi-Annually (twice a year) and Annually.
Hire Date	Enter the date that the employee was hired.
Last Raise Date	Enter the date that the employee last received a raise.
Termination Date	Enter the date that the employee's employment ended.
Comments	Use this text area for recording comments (such as dates of pay raises or prior pay rates) about the employee.
Department/Job Distribution %	<p>You can distribute an employee's pay to as many as 10 departments or MultiLedger Jobs by percentages. Percentages are automatically assigned based on the number of departments or Jobs assigned. For example, if two departments are assigned, the distribution percentage is 50% for each department. If the percentages are incorrect, you can click Modify Percentages and enter the correct values. The sum of the percentages must equal 100%.</p> <p>Percentage distributions will not sort your employee list, this is based on the default department assigned on the Personal Tab. This distribution, however, does override the default department assigned on the Personal tab.</p>

Setting Up Employee Taxes

- 1 Select the **Taxes** view tab on the **Employees** window.

- 2 Select an employee from the employee list if one is not already selected.
- 3 Select the appropriate federal tax table for the employee from the **Federal Tax Table** drop-down list.
- 4 Enter the number of federal allowances that the employee is claiming.
You can also withhold additional federal withholding per paycheck as a dollar amount or as a percentage of wages.
- 5 Select the state for SUTA reporting from the **SUTA State** drop-down list.
- 6 Select the appropriate state tax table for the employee from the **State Tax Table** drop-down list.

Important Even if you do payroll in a state with no state withholding, such as Texas, you still need to assign both the SUTA State and State Table to every employee for correct quarterly wage reports. SUTA State must be selected for each employee before saving employee information or a default SUTA State will be assigned to the employee.

If the employee is exempt from taxes, choose the appropriate checkbox under the **Exempt From** area. Employee wages marked **Exempt From** do not need to be reported to SUTA, State or Federal government agencies. However, if the employee is exempt from allowances, you can change the withholding to “99” so no taxes are taken out.

Note For more information on state taxes, click the **Additional Web Information** button. This will open a page on CheckMark’s website. An internet connection is required.

- 7 Enter the number of state allowances that the employee is claiming.
 For most states, after the cursor leaves the State Allowances field, CheckMark Payroll automatically calculates the Exemption or Tax Credit Totals.
 You can also withhold an additional amount per paycheck as a dollar amount or as a percentage of wages.
- 8 Check any appropriate **W-2 Options** for the employee.
- 9 Check any appropriate **Exempt From** options for the employee.
- 10 If the employee qualifies for the **HIRE Act**, mark the **Qualified** checkbox.
- 11 If the employee is an agricultural employee, mark the **Agricultural (943)** checkbox.
- 12 Select a local tax for the employee from the **Local Tax** drop-down list if necessary.
- 13 Enter the number of local allowances that the employee is claiming if needed.
 For some local taxes, after the cursor leaves the Local Allowances field, CheckMark Payroll automatically calculates the Exemption or Tax Credit Totals.
- 14 Select another view mode to continue setting up the employee or click **Save** after you’ve finished entering the employee’s tax information, including the SUTA State.



Items in the Taxes View Tab

Federal Taxes

Federal Table Use the drop-down list to select the appropriate federal tax table for the employee that coincided with the status claimed on the W-4. If Exempt is selected, federal tax will *not* be withheld when the employee’s pay is calculated.

W-4 Allowances Enter the number of allowances claimed on the employee’s Form W-4.

Additional W/H If you want to withhold additional federal withholding for the employee (beyond the calculated amounts), enter the additional amount that you want to withhold per pay period. You can also enter the amount as a percentage of wages if the % checkbox is checked.

State Taxes

SUTA State Use the drop-down list to select the appropriate state for SUTA reporting. The states that appear are those that have been added to the company with the **State Taxes** window.

Important SUTA State must be selected for each employee before saving employee information or a default SUTA State will be assigned to the employee.

State Table Use the drop-down list to select the appropriate state tax table for the employee. The tables that appear in the list are those that have been added on the **State Taxes** window.

If “None” is selected, state tax will *not* be withheld when the employee’s pay is calculated and employee information will not appear on the state wage reports or W-2 reports including the EFW2 State File.

Note: If your employee is exempt from state withholding but you need to report employee’s wages, DO NOT leave the State Table as “None”. Create a state table on the **State Taxes** window under Setup of zero. For example: You have an employee that is exempt from state w/h and you are in MD. You can create a table and call it something such as “MD-Exempt”. Select this table on the **Employees** setup screen.

Allowances Enter the number of state allowances that the employee is claiming (usually, this is the number of federal allowances claimed on the employee’s Form W-4, Employee’s Withholding Allowance Certificate). CheckMark Payroll uses this number, when possible, to calculate the Exemption Total or Tax Credit Total for a selected state tax table.

Exemption and Tax Credit Total When possible, the **Exemption Total** or **Tax Credit Total** is calculated for you and placed in the correct edit box. The total equals the annual exemption or tax credit amount for the selected table times the number of state allowances entered for **State Allowances**. This is not applicable for all states and there are some states where this information must be manually calculated and entered. In the **State Taxes** window when selecting your state, the program will give a message for those states telling you to manually calculate and enter the figure in the Employee Set Up. More details are available by opening up the State Taxes window and selecting the **Additional Web Information** button. An internet connection is required to use the **Additional Web Information** button.

Important **Exemption Total** does not refer to the number of allowances claimed by an employee. The number of state allowances claimed by an employee should be entered in the **State Allowances** edit box.

Additional W/H If you want to withhold additional state withholding for the employee (beyond the calculated amounts), enter the additional amount that you

want to withhold each pay period. You can also enter the amount as a percentage of wages if the % checkbox is checked.

W-2 Options

You should use a *Circular E, Employer's Tax Guide* to verify the requirements for the following W-2 options.

Retirement Plan If **Retirement Plan** is checked, an 'x' will be printed in the appropriate box on the employee's W-2 Statement.

Statutory Employee If **Statutory Employee** is checked, an 'x' will be printed in the appropriate box on the employee's W-2 Statement.

Sick Pay If **Sick Pay** is checked, an 'x' will be printed in the appropriate box on the employee's W-2 Statement.

Exempt From Options

You should use a *Circular E, Employer's Tax Guide* to verify the requirements for the following federal withholding options.

Soc. Sec. Check the Soc. Sec. Exempt option if an employee is exempt from Social Security.

Medicare Check the Medicare Exempt option if an employee is exempt from Medicare.

FUTA Check the FUTA Exempt checkbox if the employee is exempt from Federal unemployment tax.

SUTA Check the SUTA Exempt checkbox if the employee is exempt from State unemployment tax.

Local Taxes

Local Use the drop-down list to select the appropriate local tax for the employee.

The taxes that appear in the list are those that have been set up on the **Local Taxes** window under **Setup**.

If “None” is selected, local tax will *not* be withheld when the employee’s pay is calculated and employee earnings will not appear on the local taxes report.

Allowances Enter the number of local allowances that the employee is claiming.

Exemption and Tax Credit Total This amount should be calculated and entered into the correct box depending on how the local tax has been setup.

Note Many local taxes are fixed amounts or percentages of wages and not all fields are necessarily applicable to your local tax. This is dependent upon how the local tax has been setup on the **Local Taxes** window under **Setup**.

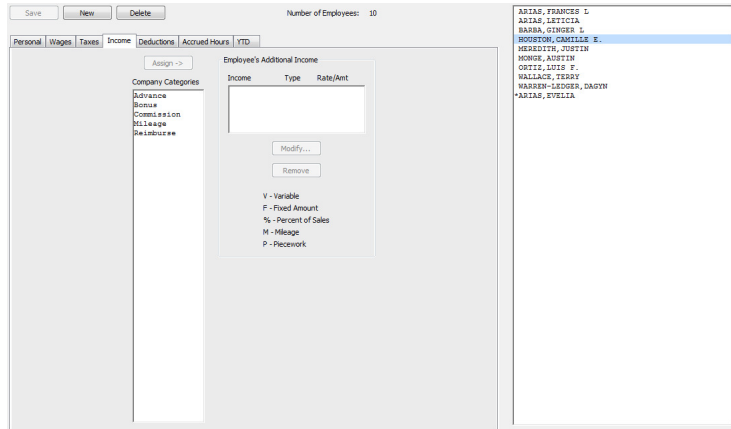
Setting Up Employee Additional Income

Use the Additional Income view tab to set up income other than salary or hourly wages for your employees. Before an **Additional Income** category can be assigned to an employee, it must be set up on the **Additional Income** window. For more information on setting up Additional Income categories, see “Chapter 10 Setting Up Additional Income” on page 49.

Assigning Additional Income Categories to an Employee

You can assign a maximum of eight Additional Income categories to each employee.

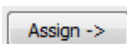
- 1 Select the **Income** view tab on the **Employees** window.



- 2 Select an employee from the employee list if one is not already selected.
- 3 Select the **Additional Income** category for the employee from the **Company Categories** list.

The categories that appear in the **Company Categories** list are those that were set up with the **Additional Income** window.

- 4 Click **Assign**.

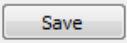


Tip You can also double-click an Additional Income category to assign it to an employee.



Select the category assigned to the employee and click **Modify** to modify a category's values. Modify the rate/amount in the edit box and click **OK**.

The value for a **Variable Amount** Additional Income category is entered when you calculate the employee's pay on the **Calculate Pay** window.



- 5 Click another view tab to continue setting up the employee or click **Save** after you have finished setting up Additional Income for this employee.

Modifying an Additional Income Category from an Employee

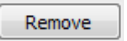
You can change the amount of an existing Income category if it's not setup as **V-Variable**. This amount is entered when you calculate the employee's pay on the Calculate Pay screen.

- 1 Highlight the employee you want to adjust.
- 2 Select the **Additional Income** category from the list of incomes already assigned to an employee.
- 3 Click **Modify** and adjust the rate/amount.
- 4 Click **OK**.

Removing an Additional Income Category from an Employee

You can remove an Additional Income from an employee as long as the employee does not have any income associated with it. **The only time to remove an Income category from an employee is after you have started a new year, but before you have created a payroll in the new year.** To stop the category from being applied mid year, simply modify the amount/rate to zero in the Employee set up.

- 1 Select the **Additional Income** category from the **Employee's** Additional Income list.
- 2 Click **Remove**.
- 3 Click **Save**.



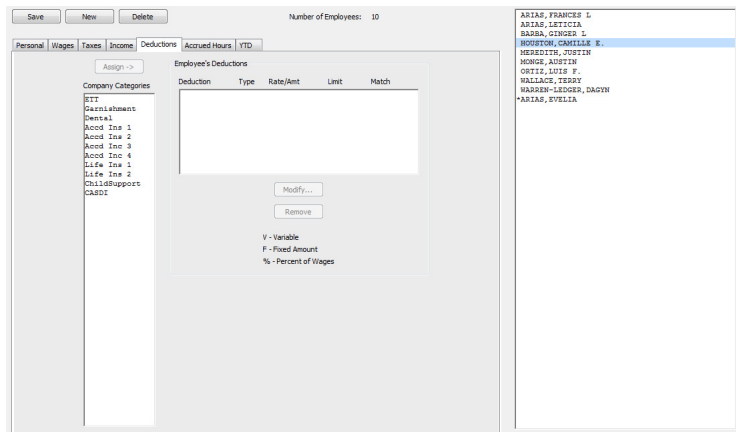
Setting Up Employee Deductions

In addition to tax deductions, you can set up Deduction categories for an employee.

Assigning a Deduction to an Employee

You can assign a maximum of 16 Deduction categories to each employee. Before a Deduction category can be assigned to an Employee, it must be set up on the **Deductions** window. For more information on setting up deductions, see “Chapter 11 Setting Up Deductions” on page 59.

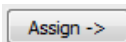
- 1 Select the **Deductions** view tab on the **Employees** window.



- 2 Select an employee from the employee list if one is not already selected.
- 3 Select the **Deduction** category for the employee from the **Company Categories** list.

The categories that appear in the **Company Categories** list are those that were set up with the **Deductions** window.

- 4 Click **Assign**.



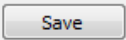
- Tip** You can also double-click a Deduction category to assign it to an employee.



Select the category assigned to the employee and click **Modify** to change a category's values. Modify the rate/amount, limit, or employer match in the edit box and click **OK**.

The value for a **Variable Amount** Deduction is entered when you

calculate the employee's pay on the **Calculate Pay** window.



- 5 Click another view tab after you've finished assigning deductions to this employee to continue setting up the employee or click **Save**.

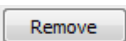
Modifying a Deduction Category from an Employee

You can change the amount of an existing Deduction category if it's not setup as **V-Variable**. This amount is entered when you calculate the employee's pay on the Calculate Pay screen.

- 1 Highlight the employee you want to adjust.
- 2 Select the **Deduction** category from the list of incomes already assigned to an employee.
- 3 Click **Modify** and adjust the rate/amount, limit (if applicable) and match (if applicable).
- 4 Click **OK**.

Removing a Deduction Category from an Employee

You can remove a Deduction category from an employee as long as the employee doesn't have any paychecks associated with it. **The only time to remove an Deduction category from an employee is after you have started a new year, but before you have created a payroll in the new year.** To stop the category from being applied mid year, simply modify the amount/rate to zero in the Employee set up.



- 1 Select the **Deduction** from the **Employee's** Deduction list.
- 2 Click **Remove**.
- 3 Click **Save**.

Note If you want to zero out a deduction for just one paycheck, you can use the Disable Deductions feature in the **Calculate Pay** window instead of changing it in the employee setup, "Disable Calculation" on page 127.

Setting Up Employee Accruals

CheckMark Payroll accommodates up to three accrued hours per employee. Accrued Hours are hour categories where you track hours earned and used for each employee such as vacation or sick.

Assigning Accruals to an Employee

- 1 Select the **Accrued Hours** view tab on the **Employees** window.

The screenshot shows the 'Accrued Hours' window with the following elements:

- Buttons: Save, New, Delete, Assign ->
- Number of Employees: 10
- Tabs: Personal, Wages, Taxes, Income, Deductions, Accrued Hours, YTD
- Company Categories List:
 - OT/OTL
 - Overtime
 - Comp
- Employee Hours Accrual Form:
 - Current Accrued Hours: []
 - Earn a maximum of [] hours
 - Start receiving date: []
 - Remove button
 - Calculation Method: Earn [] hours per [] Months, up to [] hours worked per pay period
- Employee List (Right):
 - ARIAS, FRANCIS I.
 - ARIAS, LETICIA
 - BARBA, GISELE I.
 - BROOKTON, CAMILLE E.
 - HEREDIA, JUSTIN
 - MORSE, JUSTIN
 - ORTIZ, LUIS F.
 - WALLACE, TERRY
 - WARREN-LEDGER, DAITH
 - ARIAS, SYBELA

- 2 Select an employee from the employee list if one is not already selected.
- 3 Select the hour category for the employee from the **Company Categories** list.

The categories that appear in the **Company Categories** list are those that were set up with the **Hour Categories** window.

Assign ->

- 4 Click **Assign**.

Tip You can also double-click an hour category to assign it to an employee.

- 5 Define the accrued hour category.
- 6 Repeat steps 3–5 for each accrued hour category for the employee.
- 7 Click another view tab after you've finished setting up the accrued hours for this employee to continue setting up the employee or click **Save**.

Save

Modifying an Accrual

You can modify an existing accrual assigned to an employee.

- 1 Select the employee from the list.
- 2 Highlight the accrual you want to modify.
- 3 Change the status of the accrual information.
- 4 Click **Save**.

Remove an Accrual from an Employee

- 1 Highlight the employee from the list.
- 2 Select the hour category from the Employee Hours Accrual list.
- 3 Select **Remove**.

Items in the Accrued Hours View Tab

Current Accrued Hours	Enter the number of accrued hours that the employee has already accumulated.
Earn a Maximum of Hours	Check this option and enter the limit for the number of accrued hours that an employee can accumulate.
Start Receiving	Enter a date the employee should start accruing hours. If not date is entered, the employee will start accruing hours on the next paycheck.
Earn Hours Per	Enter the number of hours the employee should had added onto their Current Accrued Hours based on the frequency selected in the Per drop down list. Choose from Month , Year , Hour Worked , or Pay Period .
Month	If you choose Month , the employee will receive the number of accrued hours entered in the edit box on the first paycheck of each month. The employee will start receiving the accrued hours on the first paycheck after the date entered in the Start Receiving box. If no date is entered, the employee will start receiving the accrued hours on the next paycheck.
Year	If you choose Year , the employee will receive the number of accrued hours entered in the edit box at one time. The employee will start receiving the accrued hours on the first paycheck after the date entered in the Start Receiving box. A Start Receiving date in the current payroll year is required.

Hour Worked If you choose **Hour Worked**, the employee will receive the number of hours entered in the edit box per hour worked. You can also limit the maximum hours that are used to determine the earned hours for each pay period. The employee will start receiving the accrued hours on the first pay period dated after the date in the **Start Receiving** box. If no date is entered, the employee will start receiving the accrued hours on the next paycheck.

If you choose **Hour Worked** as the accrual calculation method, you should select the **Use in Calculations Based on Hours Worked** option on the **Hour Categories** window for each **Hour Category** that should be included in the accrual. For example, let's say that you have two hour categories defined as Regular and Vacation and you would like Vacation to accrue at a rate of .025 hours for every hour worked. You should check the Use in Calculations Based on Hours Worked option for the Hour Category Regular in order for the Regular hours to be included in the Vacation accrual.

Pay Period If you choose **Pay Period**, the employee will receive the number of accrued hours entered in the box each paycheck. The employee will start receiving the accrued hours on the first paycheck after the date entered in **Start Receiving**. If no date is entered in the Start receiving date box, the employee will start receiving the accrued hours on the next paycheck.

Setting Up Employee YTD Balances Mid Year

Depending on when you process your first payroll with CheckMark Payroll, you might need to set up year-to-date balances for your employees' income and deductions.

You don't need to enter year-to-date balances if:

- The first payroll you process with CheckMark Payroll is the first payroll of the year.
- You are using CheckMark Payroll to process the first payroll for a new business.
- You aren't using CheckMark Payroll for keeping employee records.

By carefully setting up your employees' year-to-date balances and entering after-the-fact paychecks from the current quarter, you can help ensure accurate records for reports, such as 941s and W-2s. Here's a brief overview of what to do:

Note YTD balance figures in the Employee Set Up tab affect annual reports. Quarterly reports are calculated on the actual paychecks created in CheckMark Payroll. YTD balances are needed for accurate calculation of taxes with an annual wage limit such as SS, FUTA and SUTA taxes.

- 1 Enter starting balances as of the last completed quarter in the current year.

For example, if you are going to process your first payroll with CheckMark Payroll on August 16th, enter the starting balances as of June 30th.

- 2 Calculate and Save after-the-fact paychecks that were issued in the current quarter.

After-the-fact paychecks are paychecks that were issued prior to using CheckMark Payroll.

Again, if you are going to process your first payroll with CheckMark Payroll on August 16th, enter after-the-fact paychecks issued between July 1st and August 15th.

For details, see “Calculating Pay for After-the-Fact Checks” on page 133.

If you are going to process your first payroll with CheckMark Payroll at the beginning of a quarter, you don’t have any after-the-fact paychecks in the current quarter.

- 3 Create the after-the-fact payroll checks in CheckMark Payroll.

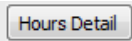
Paycheck calculations do not affect an employee’s record until you create the paycheck in CheckMark Payroll.

For details, see “Creating Payroll Checks” on page 138.

Entering Year-to-Date Income and Deductions

- 1 Select the **YTD** view tab on the **Employees** window.

- 2 Select an employee from the employee list if one is not already selected.
- 3 For a salaried employee, enter the employee's year-to-date salary as of the last completed quarter in the **Salary** edit box.
- 4 For an hourly employee, click the **Hours Detail** button and enter the year-to-date hours and amounts for each hour category as of the last completed quarter.

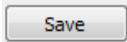


Tip If you don't want to enter the year-to-date amounts in for each hour category, you could enter the total amount in the Salary edit box.

	Hours	Amount
CSTORE	581.94	4655.52
Overtime	6.52	78.24
Comp	0.00	0.00

Note When setting up, you don't have to enter year-to-date hours to calculate

the value shown for Amount on the YTD Totals view tab.



5 Click **Save** to close the **Hours Detail** window and update the **Hours** and **Amount** fields on the **YTD** view tab.

6 Enter the year-to-date amounts for the Additional Income categories.

The Additional Income categories that appear are those that were assigned to the employee in the Additional Income view tab.

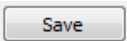
7 Enter the year-to-date amounts for the Deduction categories.

The **Deduction** categories that appear are those that were assigned to the employee in the **Deductions** view tab.

Note The **Additional Income** or **Deduction** categories will not show in the **YTD** tab unless the **Save** button has been selected for the employee. If the categories do not show up in the **YTD** tab, click **Save**, then re-select the employee from the list.

8 Enter the year-to-date amounts for each tax category.

The state and locality names that appear are those that were set up for the employee with the **Taxes** view tab.



9 Click **Save** or select another view tab and continue setting up the employee when you've finished entering the year-to-date balances.

Chapter 13 Setting Up Employer Payees

This chapter shows you how to set up the payees for employer payments, such as Federal, State and Local taxes as well as other employee deductions. Setting up and using employer payees is optional as using this feature in CheckMark Payroll in no way affects any report in the program.

You can pay multiple items to the same payee, but the payee will need to be setup separately in the list, once for each item. You can combine up to 5 items on an employer payment check with the exceptions of 940 and 941 payments. For more information, see “Creating Employer Payments” on page 155

CheckMark Payroll allows you to add new payees, modify payees and delete payees as long as there are no payment checks associated with the payee in the current year.

Setting up a New Payee

- 1 Click **Setup** in the **Command Center**, then select **Employer Payees**.

Type	Payee
FED	BOFA
STWH	EDD
BOORE	EDD
DED	COURT-ORDER DEBT COLLECTION
DED	AFLAC
DED	AFLAC
DED	AFLAC
DED	AFLAC
DED	AFLAC
940	BOFA
SUTA	EDD

Payee Information

Name

Address Line 1

Address Line 2

City

State & Zip

Reference ID

Type Payment

Federal Tax

940 Tax PUTA

State W/H CA

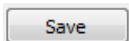
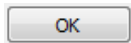
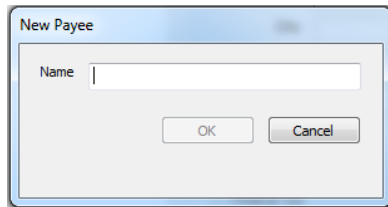
Local W/H CASDI

SUTA CA

Employee Deduction ETT



- 2 Click **New**.



- 3 Enter the name of the payee that will receive the payment and click **OK**.
- 4 Click **Save** after you've finished setting up the **Payee Information** and **Type of Payment**.

After you've set up an employer payee, you can use the **Create Payments** to calculate the amount of the payment. For details, "Creating Employer Payments" on page 155.

Note Punctuation marks such as a comma (,) or period (.) in a payee's name and address can cause errors when posting payment information into certain accounting programs.

Payee Information

- Address Line 1** **Address Line 1** will accommodate up to 30 characters. It is recommended that you use postal service guidelines when entering address information
- Address line 2** **Address line 2** will accommodate up to 30 characters.
- City** Enter the employee's city. **City** will accommodate up to 25 characters.
- State** Enter the 2-letter postal abbreviation for your employee's state.
- ZIP** Enter the 5-digit ZIP code, plus 4-digit extension.
- Reference/ID #** Enter account #, identification #, federal or state ID number to print on the payment check. **Reference/ID #** will accommodate up to 17 characters.

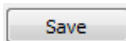
Type of Payment

- Federal Tax** Federal withholding, Social Security and Medicare taxes.
- 940 Tax - FUTA** Federal unemployment tax.
- State Withholding** The drop-down displays the states that are available in the **State Taxes** list. Select the state(s) that you withhold taxes in. A separate payee must be setup for each state in your list.
-

- Local Withholding** The drop-down list displays local taxes that are available on the **Local Taxes** list. Select the local tax that you withhold taxes for. A separate payee must be setup for each local tax in your list.
- SUTA** The drop-down displays the states that are available in the **State Taxes** list. SUTA refers to the state unemployment tax. A separate payee must be setup for each state in your list.
- Employee Deduction** The drop-down list displays deductions that are on the **Deduction** list. A separate payee must be setup for each deduction in your list.

Modifying an Employer Payee

- 1 Click **Setup** in the **Command Center**, then select **Employer Payees**.
- 2 Select the name from the **Payee** list.
- 3 Modify the information for the payee.
- 4 Click **Save**.



Deleting an Employer Payee

You can delete a payee as long as no checks in the current year are associated with the payee.

- 1 Click **Setup** in the **Command Center**, then select **Employer Payees**.
- 2 Select the name from the **Payee** list.
- 3 Click **Delete** in the tool bar.



An alert appears asking you to verify that you want to delete the payee.

- 4 Click **OK**.
-

Types of Employer Payments

Here are the types of employer payments that you can set up.

Federal Tax This refers to the deposit that you make for federal income tax withheld, Social Security, and Medicare taxes.

940 Tax - FUTA This refers to the deposit that you make for the Federal unemployment tax (FUTA).

State Withholding The drop-down list shows the states that were added to your company on the **State Taxes** window. If you don't see the state you need, you can add the state to your company using the **State Taxes** window. For details, see "Setting Up State Tax Values and SUTA Values" on page 37

Local Withholding The drop-down list shows the local taxes that have been added to your company. If you don't see the local tax that you need, you can add the local tax to your company using the **Local Taxes** window. For details, see "Setting Up Local Tax Values" on page 41

SUTA This refers to the deposit that you make for the state unemployment tax. The drop-down list shows the states that were added to your company on the **State Taxes** window.

Employee Deduction This refers to the deposits that you make for employee deductions, such as United Way or Health Insurance. The drop-down list shows your company's Deduction categories that were added on the **Deductions Setup** window.

Chapter 14 Setting Up Ledger Accounts

This chapter shows you how to set up accounts that allow you to post your payroll to an accounting program.

If you won't be posting your payroll to an accounting program, or your accounting program doesn't use account numbers, you don't need to set up ledger accounts. However, you might find ledger accounts useful on Posting Summary reports to manually transfer your payroll data to an accounting system.

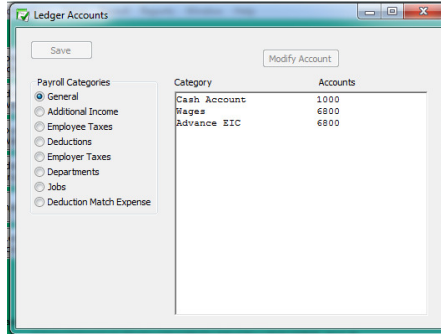
You can assign accounts to the following payroll categories:

- General, such as the cash account for employee paychecks
- Additional Income, such as tips or mileage
- Employee Taxes, such as federal, state, and local withholding and Social Security and Medicare
- Deductions, such as 401(k) plans or health insurance
- Employer Taxes, such as employer portions of Social Security and Medicare, FUTA, and SUTA
- Department wages and tax expense
- Job wages and tax expense (can be used only with CheckMark's MultiLedger)

Assigning the Posting Accounts

Items displayed under the **Payroll Categories** radio buttons are directly affected by the setup on other windows on the **Command Center**.

- 1 Click **Setup** in the **Command Center**, then select **Ledger Accounts**.
-



- 2 Select an option under **Payroll Categories**.

After selecting the payroll category, items associated with the category appear in the Items list:

Category	Accounts
Cash Account	1000
Wages	6800
Advance EIC	6800

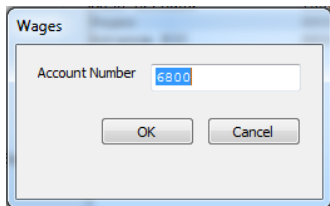
- 3 Select an item from the **Items** list box.

Modify Account

- 4 Click **Modify Account...**

Tip You can also double-click an item to open the Modify Account Number dialog.

- 5 Enter an account for the selected item and click **OK**.



Accounts can be up to 16 alpha-numeric characters.

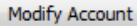
- 6 Repeat steps 3–5 for each item in the payroll category.
- 7 Click **Save** after you have finished entering the accounts in a payroll category.

Save

Repeat steps for 2–7 for each payroll category.

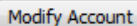
Modifying a Posting Account

- 1 Select an option under **Payroll Categories**.
- 2 Select an item from the **Items** list.
- 3 Click **Modify Account**.
- 4 Modify the account number in the edit box and click **OK**.
- 5 Repeat steps 2–4 for each account in the payroll category.
- 6 Click **Save** after you've finished modifying accounts in the payroll category.
- 7 Repeat steps 1– 6 for each payroll category.

A rectangular button with a light gray background and a thin border, containing the text "Modify Account" in a dark gray font.A rectangular button with a light gray background and a thin border, containing the text "Save" in a dark gray font.

Deleting a Posting Account

- 1 Select an option under **Payroll Categories**.
- 2 Select an item from the **Items** list.
- 3 Click **Modify Account**.
- 4 Press the DELETE key on your keyboard.
- 5 Click **OK**.
- 6 Repeat steps 3–5 for each account in the payroll category.
- 7 Click **Save** after you've finished deleting accounts in the payroll category.
- 8 Repeat steps 1–7 for each payroll category.

A rectangular button with a light gray background and a thin border, containing the text "Modify Account" in a dark gray font.A rectangular button with a light gray background and a thin border, containing the text "Save" in a dark gray font.

Posting Account Descriptions

General

Cash Account	The cash account from which payroll checks are paid.
Wages	An expense account for gross wages.
EIC	An expense account for Earned Income Credit.

Additional Income

The Additional Income items that appear in the list are those that were set up on the **Additional Income** window. You can assign an account to each item, typically an expense account.

Employee Taxes

Federal	A liability account for employee federal taxes withheld.
Social Security	A liability account for the Social Security tax withheld.
Medicare	A liability account for the Medicare tax withheld. Liability accounts for employee state and local taxes withheld also appear in the list.

Deductions

The Deduction items that appear in the list are those that were set up on the **Deductions** window. You can assign an account to each item, typically a liability account.

Employer Taxes

Cash Account	The cash account from which employer expenses and liabilities are paid.
Social Security Liability	A liability account for the employer portion of Social Security.
Social Security Expense	An expense account for the employer portion of Social Security.
Medicare Liability	A liability account for the employer portion of Medicare.
Medicare Expense	An expense account for the employer portion of Medicare.
FUTA Liability	A liability account for employer federal unemployment tax.
FUTA Expense	An expense account employer federal unemployment tax.
SUTA Liability	A liability account for State Unemployment appears for each state.

SUTA Expense An expense account for State Unemployment appears for each state.

Departments

Wages An expense account for department wages.

Tax Expense An expense account for department taxes for employer portions of Social Security and Medicare, FUTA, and SUTA.

Note Department or job wage and tax expense accounts override general wage expense and employer tax expense accounts.

Note If department or jobs are setup, the employer taxes will not be posted by tax expense, but by department/job liability and will be broken out by tax for the entire payroll.

Jobs

Note Use this option if you distribute employee wages to jobs in MultiLedger.

Wages An expense account for job(s) wages.

Tax Expense An expense account for job(s) taxes for employer portions of Social Security and Medicare, FUTA, and SUTA.

Note Department or job wage and tax expense accounts override general wage expense & employer tax expense accounts.

Deduction Match Expense

Expense An expense account for the employer deduction expense, that is not broken out by department/job expense, for deductions set up with an employer matching amount or percentage.

Chapter 15 Importing and Exporting

This chapter shows you how to import and export employee information. For information on importing hours, see Chapter 13.

Import Employee Information

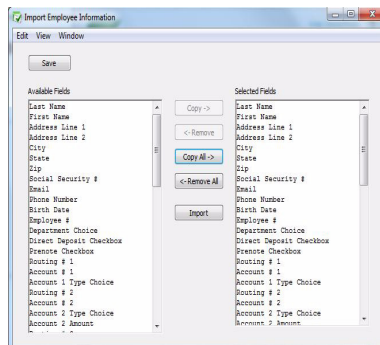
You can import employee personal and wage information into your CheckMark Payroll company. The employee information that you import must be in a text file, with tabs between fields and a return after each employee record.

Note Before importing information into your payroll company, you should make a backup of your company files.

To import employee information:

- 1 Choose **Import Employees** from the **File** menu.

The following window appears:



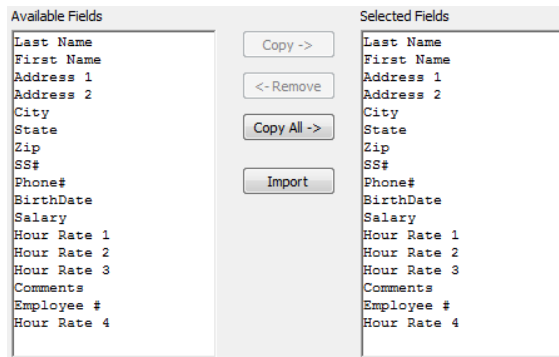
- 2 Copy each field that you want to import in the order that it appears in the text file.

Highlight the field in the **Available Fields** list, then click **Copy**. You can also double click a field in the **Available Fields** list to copy it to the **Selected Fields** list. The only required fields for importing are **Last Name** and **First Name**.

To copy all fields in the order that they appear in the **Available Fields** list to the **Selected Fields** list, click the **Copy All** button.

Since there are no field names in a text file, you should carefully determine the order that you want to import the data.

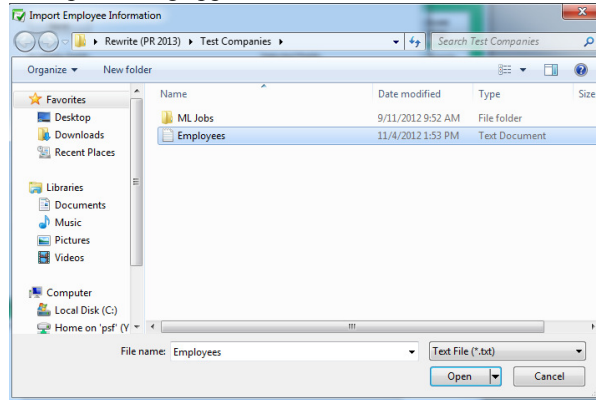
As you copy each field, it appears in the **Selected Fields** list on the right:



To remove a field from the **Selected Fields** list, highlight the field and click **Remove**. You can also double click a field in the **Selected Fields** list to remove it. Fields below the removed field will automatically move up in the **Selected Fields** list.

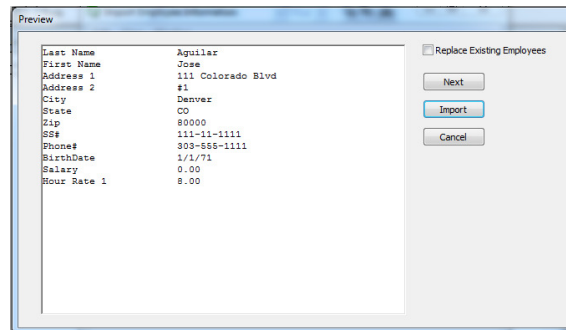
- 3 (optional) Click **Save** if you want to save the order that the fields appear in the **Selected Fields** list for future importing.
- 4 After selecting the appropriate fields for the **Selected Fields** list, click **Import**.

An Open dialog appears:



- 5 Select the appropriate text file to import and click **Open**.

The **Import Preview** window appears:



This window allows you to see the **Selected Fields** list with the contents of the selected text file by record. This can help you find any trouble spots before you actually import the data.

You can click the **Next Employee** button to see more information in the text file.

- 6 (optional) Check the **Replace Existing Employees** checkbox if you want the information in the text file to replace existing employee information in your company.
- 7 When you're finished previewing the text file, click **Import** to read the information into your company.

Note If you intend to import employee hours, in the **Enter Hours** window, and use employee name as part of your import parameter(s), exporting employee names from your time clock program and importing into CheckMark Payroll is one way of assuring that they are identical and avoid errors. Or you can export employee names from CheckMark Payroll and import into your timeclock program if the program allows.

Warning Importing an employee's department choice only works if a department with the same name is already setup in the **Deductions** screen.

Export Employee Information

You can export employee information to a text file, allowing you to import the information into other programs or into another CheckMark Payroll company.

To export employee information:

- 1 Choose **Export Employees** from the **File** menu.
- 2 Select the employee names you want to export.

To select a consecutive or non-consecutive series of employees, see "Making Selections in a List Box" on page 13.

If no employee names are highlighted, information for all employees will be exported.

Copy each field that you want to export in the order that you want it to appear in the text file.

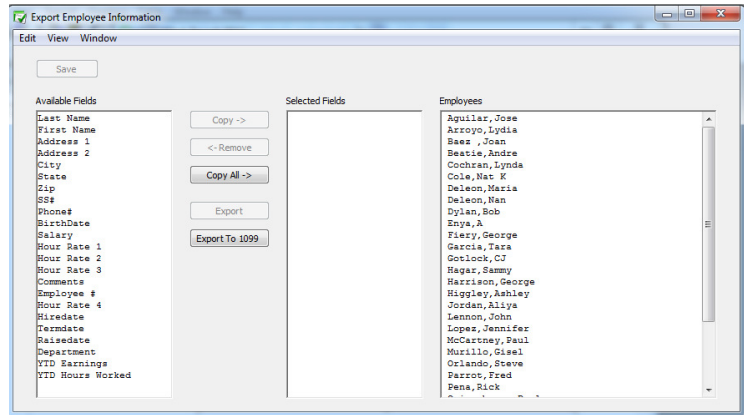
Highlight the field in the **Available Fields** list, then click **Copy**. You can also double click a field in the **Available Fields** list to copy it to the **Selected Fields** list.

To copy all fields in the order that they appear in the **Available Fields** list to the **Selected Fields** list, click the **Copy All** button.

Note If your intent is to export employee information for import into another CheckMark Payroll company, take note that there are more fields available for exporting than there are for importing.

Since there are no field names in a text file, you should carefully determine the order that you want to export the data.

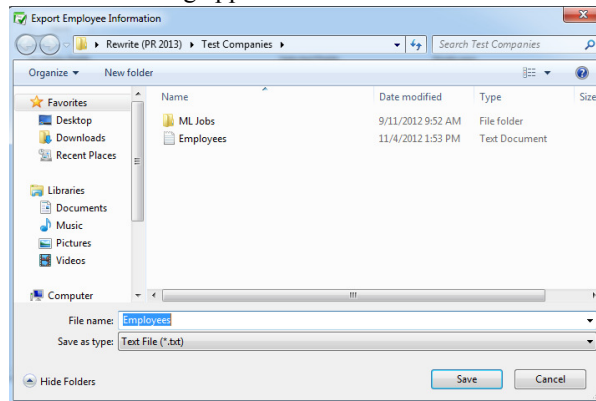
As you copy each field, it appears in the **Selected Fields** list on the right:



To remove a field from the **Selected Fields** list, highlight the field and click **Remove**. You can also double click a field in the **Selected Fields** list to remove it. Fields below the removed field will automatically move up in the **Selected Fields** list.

- 3 (optional) Click **Save** if you want to save the order that the fields appear in the **Selected Fields** list for future exporting.
- 4 Click **Export**.

A Save As dialog appears:



- 5 Enter a name for the text file, choose where you want to save the text file, then click **Save**.

The extension “.txt” is automatically added to the file name.

Export Employee Information into CheckMark Forms 1099

CheckMark Payroll allows you to export employee information into the CheckMark Forms 1099 application. To learn more about the CheckMark Forms 1099 software, please call our sales department at 800-444-9922 or visit our website at www.checkmark.com.

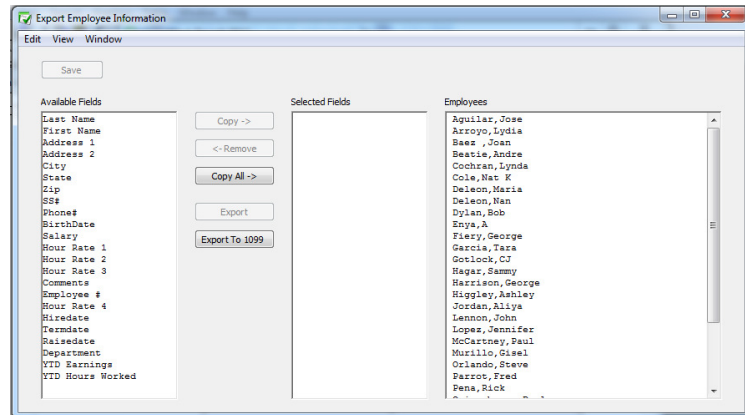
To export employee information:

- 1 Choose **Export Employees** from the **File** menu.
- 2 Select the employee names you want to export.

To select a consecutive or non-consecutive series of employees, see “Making Selections in a List Box” on page 13.

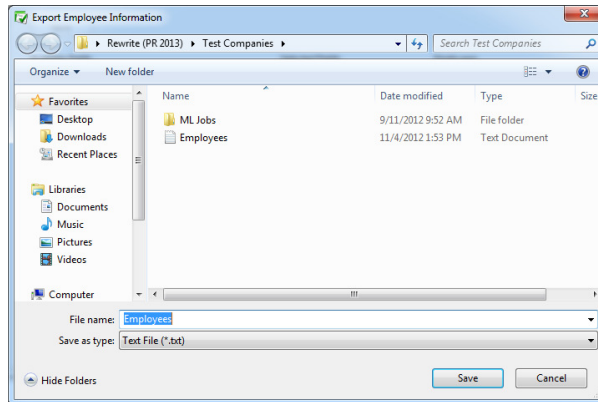
If no employee names are highlighted, information for all employees will be exported.

Note: If the recipients to be imported are using different types of 1099 forms, you should create multiple export files for each type of form. Example, one export file for 1099 MISC, one file for 1099 INT, etc.



- 3 Click the **Export to 1099** button.

A Save As dialog appears.



- 4 Enter a name for the text file, choose where you want to save the text file, then click Save.

The extension “.txt” is automatically added to the file name

- 5 The file is now ready to be imported into the CheckMark Forms 1099 application.

Warning Exporting employee comments may have an adverse effect on the generated file if there are tabs or carriage returns within the text of the comments.

Warning You can export more fields out of CheckMark Payroll than you can import. If you are importing/exporting data between companies, make sure your import and export field lists are the same.

Part 3

Processing Your Payroll

Now that you have everything setup, it is time to process payroll. Almost all the windows under **Payroll** on the **Command Center** are optional with the exception of **Calculate Pay**. You are able to calculate and create a pay check all within the Calculate Pay window. CheckMark Payroll does not require that you print a pay check to affect employee YTD balances or payroll reports. You only have to create a check.

Steps to Processing a Payroll

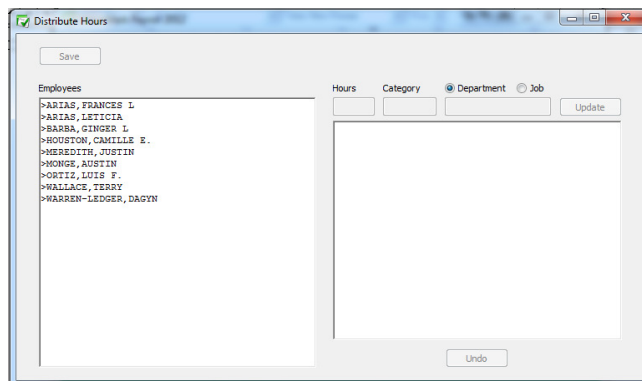
- Optional 1* **Enter or Import employee hours.**
 - or
 - Optional 2* **Distribute Hours by Department or Job.**
 - 3** **Calculate Pay.**
 - Optional 4* **Review pay calculations.**
 - 5** **Create paychecks.**
 - Optional 6* **Allocate Wages or Re-allocate Hours to Departments or Jobs.**
 - Optional 7* **Print paychecks.**
 - Optional 8* **Modify paychecks.**
-

Chapter 16 Distribute Hours

To distribute hours by department or MultiLedger Job, use the **Distribute Hours** window on the **Command Center**. Hours distributed on the **Distribute Hours** window cannot be edited on the **Calculate Pay** window. If you need to edit an employee's hours, you will need to return to the **Distribute Hours** window.

Distribute Hours

- 1 Click **Payroll** in the **Command Center**, then select **Distribute Hours**.



- 2 The default is to distribute hours by **Department**. If you are paying by MultiLedger job, select the **Job** radio button.
- 3 Select an employee in the list and enter the number of hours for the department/job and click the TAB key.

Hourly employees are indicated by a "greater than" symbol (>).
- 4 Select the **Hour Category** that coincides with the hours you just entered. Click OK or press ENTER.
- 5 Select the **Department/Job** that coincides with the hours you just entered and click **OK** or press ENTER.

Note If you selected **Job** when you entered the window and jobs have not been previously loaded during this payroll session, you will be prompted to select and open the MultiLedger company job list that you wish to use during this payroll session.

- 6 Continue with the selected employee until distribution is complete. Click
-

Save.

Employees whose hours have been distributed and saved are marked with an asterisk (*).

- 7 Repeat steps 3-6 for each employee.

Note The **Hour Categories** and **Department** lists that appear while distributing hours are the **Hour Categories** and **Departments** that were setup on their respective windows on the **Command Center**. If you do not see an **Hour Category** or **Department**, you will need to set those up in the appropriate window.

Modifying a Distribution

- 1 Select the employee name in the list.

Employees whose hours have been distributed are marked with an asterisk (*).

- 2 Select the line you want to modify.
- 3 Modify the Hours, then click **Update**.

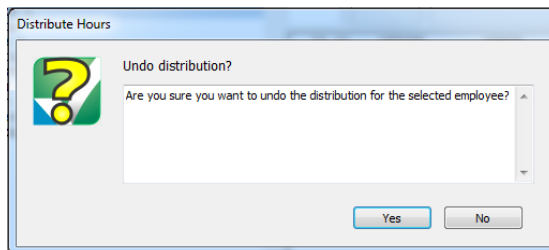
Undoing a Distribution

- 1 Select the employee name in the list.

Employees whose hours have been distributed are marked with an asterisk (*).

- 2 Click **Undo**.

The following alert appears:



- 3 Click **Yes** to delete the employee's hours distribution, or click **No** to leave the distribution unchanged.

Moving Around the Hour Fields

You can use your mouse to highlight any field by simply clicking the

field, or you can press the following keys on your keyboard:

Keystroke	Result
TAB or RIGHT ARROW	Next hour field to the right
SHIFT + TAB or LEFT ARROW	Next hour field to the left
ENTER (WIN)/RETURN (MAC) or DOWN ARROW	Next hour field below
SHIFT + ENTER(WIN)/RETURN (MAC) or UP ARROW	Next hour field above
CTRL(WIN)/COMMAND (MAC) + ENTER	First hour field for next employee below

A total column will show you total hours per employee and total hours entered for the period.

Note You can also allocate wages to Departments or Jobs after checks have been created. For more information, see “Allocating Wages After Paychecks are Created” on page 151

Important If you’ve changed any hours for an employee whose calculated pay has already been saved, CheckMark Payroll will automatically undo the saved calculation. You must recalculate the employee’s pay with the new hours on the Calculate Pay window.

Important Hours distributed on Distribute Hours cannot be edited on the Calculate Pay window. If you need to edit the hours, you must close the Calculate Pay window and edit the hours in Distribute Hours.

Chapter 17 Entering Employee Hours

This chapter shows you how to enter the number of hours employees use for such hour categories as regular, overtime, sick, and vacation. You can also import hours from third party program using a tab-delimited text file.

Note If you open this window and do not see your employee list or header columns, you have not setup Hour Categories for your company. You must first set up Hour Categories. For more information on setting up **Hour Categories**, see “Chapter 9 Setting Up Hour Categories” on page 45

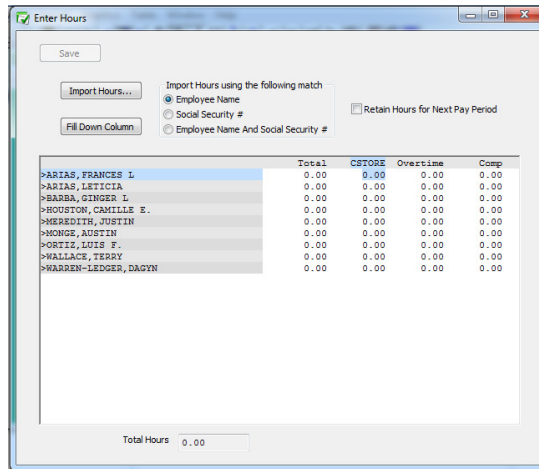
Moving Around the Hour Fields

You can use your mouse to highlight any field by simply clicking the field, or you can press the following keys on your keyboard:

Keystroke	Result
TAB or RIGHT ARROW	Next hour field to the right
SHIFT + TAB or LEFT ARROW	Next hour field to the left
ENTER (WIN)/RETURN (MAC) or DOWN ARROW	Next hour field below
SHIFT + ENTER(WIN)/RETURN (MAC) or UP ARROW	Next hour field above
CTRL(WIN)/COMMAND (MAC) + ENTER	First hour field for next employee below

Entering Hours for an Employee

- 1 Click **Payroll** in the **Command Center**, then select **Enter Hours**.



A total column will show you total hours per employee and total hours entered for the period.

- 2 Select an hour category for an employee.

Hourly employees are indicated by a "greater than" symbol (>). The hour categories that were set up with the **Hour Categories** window appear across the top of the hour fields. These categories appear in the order that you set them up in the **Hour Categories** window.

Note To show hourly employees first in the list, check the **Sort Hourly Employees First When Entering Hours** option on the **Preferences** window.

- 3 Enter the number of hours for the category.

Numbers to the right of the decimal point are treated as hundredths of an hour. For example, enter "30.75" for an employee who worked thirty hours and forty-five minutes. For detailed information on the decimal equivalent to how many minutes an employee worked see "Conversion Chart: Number of Minutes and Decimal Equivalent" on page 120.

- 4 Continue entering employee hours.
- 5 Click **Save** in the tool bar after you've finished entering employee hours for the pay period.

After the hours are saved, they can be used for pay calculations on the

Calculate Pay window.

Fill Down Column

You can quickly enter the same number of hours, such as eight hours of holiday pay, for each employee. First, select the first hour field under Holiday. Next, enter “8” and click the **Fill Down Column** button. A message appears asking if you want to replace values for all cells; click **Yes**. Starting with the currently selected employee, each value in the column is replaced with “8”.

Retain Hours for Next Pay Period

If you want the same number of hours for each employee to automatically appear for the next pay period, check the **Retain Hours for Next Pay Period** option.

Important

If you’ve changed any hours for an employee whose calculated pay has already been saved, CheckMark Payroll will automatically undo the saved calculation. You must recalculate the employee’s pay with the new hours on the **Calculate Pay** window.

Importing Employee Hours

CheckMark Payroll can import hours from a spreadsheet or timeclock program, as long as the hours have been saved in a tab-delimited text file format. The hours you import should be total hours for the pay period. The order of the hours in the text file must match the order in which they appear on the **Enter Hours** window. If an employee does not have any hours for a particular hour category, you still need to separate the categories by a tab or enter a zero (0). The text file must have a TAB between each field and a RETURN at the end of each employee record. Hours can have up to two places to the right and three places to the left of the decimal point (000.00).

Important

You cannot import hours directly to Jobs or Departments, but you can allocate the pay to the appropriate Jobs or Departments after you have created a paycheck. For more information, see, “Allocating Wages After Paychecks are Created” on page 151.

You can choose to import hours by the following match.

Employee Name - Employees in your text file are saved in alphabetical order with the last name first, first name and then employee hours for each hour category.

Social Security # - Employees in your text file are saved by Social Security Number followed by hours for each hour category.

Employee Name and Social Security # - Employees in your text file are saved in alphabetical order with last name, first name, Social Security Number followed by the hours for each hour category.

Here is an example of an acceptable text file format, if the **Employee**

Name option is selected:

Browne[TAB]Jennifer[TAB]32[TAB]2[TAB]3.25[TAB]8[TAB]40[RETURN]
Wilcox[TAB]James[TAB]40[]3.5[TAB][TAB][TAB]40[RETURN]

Conversion Chart: Number of Minutes and Decimal Equivalent

# of Minutes	Decimal Equivalent	# of Minutes	Decimal Equivalent
1	0.02	31	0.52
2	0.03	32	0.53
3	0.05	33	0.55
4	0.07	34	0.57
5	0.08	35	0.58
6	0.10	36	0.60
7	0.12	37	0.62
8	0.13	38	0.63
9	0.15	39	0.65
10	0.17	40	0.67
11	0.18	41	0.68
12	0.20	42	0.70
13	0.22	43	0.72
14	0.23	44	0.73
15	0.25	45	0.75
16	0.27	46	0.77
17	0.28	47	0.78
18	0.30	48	0.80
19	0.32	49	0.82
20	0.33	50	0.83
21	0.35	51	0.85
22	0.37	52	0.87
23	0.38	53	0.88
24	0.40	54	0.90
25	0.42	55	0.92
26	0.43	56	0.93
27	0.45	57	0.95
28	0.47	58	0.97
29	0.48	59	0.98
30	0.50	60	1.00

To import employee hours into CheckMark Payroll

- 1** Click **Setup** in the **Command Center**, then select **Enter Hours**.
- 2** Select the appropriate **Import Hours using the following match** option.
You can choose **Employee Name**, **Social Security #**, or **Employee Name & Social Security #**.
- 3** Click the **Import Hours** button.
- 4** Select the appropriate text file to import, then click **Open**.

Note If an employee's information appears in the text file, but is not found in CheckMark Payroll, a message appears telling you that the employee could not be found. Click OK to continue importing or click Cancel to stop the import process.

- 5** After the employees' hours have imported, click **Save**.
-

Chapter 18 Calculating Employee Pay

This chapter shows you how to calculate the pay for employee paychecks and special checks, such as bonuses and after-the-fact paychecks.

CheckMark Payroll can calculate the pay for one employee at a time or all employees for any combination of pay frequencies at one time.

After you've entered employee hours with the **Enter Hours** or **Distribute Hours** window (you can also enter hours on the **Calculate Pay** window), the next step is to have CheckMark Payroll calculate employee wages, additional income and deduction amounts, taxes, and net pay for the current pay period.

Check Dates

When you first open the **Calculate Pay** screen, you will see the **Calculate Pay Dates** window. You need to enter the **Check Date**, **Period Start** and **Period End** dates. Use the DOWN ARROW buttons to the right of the **Check Date**, **Period Start** and **Period End** fields to use the pop-up calendars. Click on the date of the calendar window for the date to fill in the appropriate field. When the dates are filled in, Click **OK** to continue to the **Calculate Pay** window. Dates entered in the **Check Dates** window are displayed on the **Calculate Pay** window while you are calculating your employee paychecks.

Next Period

This button will calculate **Check Date**, **Period Start** and **Period End** based on the pay frequency set on the first employee in the employee list and dates currently being displayed.

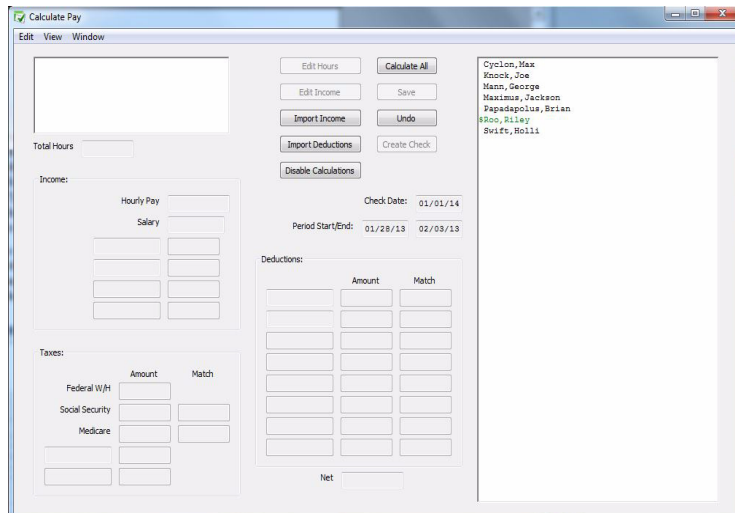
Change Frequency

If you have multiple pay frequencies, you can click the **Change Frequency** link to open up a option to change the pay frequency when selecting the **Next Period** button.

Calculate Pay

Once you are in the **Calculate Pay** window, you will see all employees in your employee list displayed on the right side of the screen. Employee names displayed in “black” indicate that there is no calculation saved for that employee. If the employee name is displayed in “green” with a “\$” on the left side, there is a saved calculation for that employee. If that calculation is not correct, or needs to be modified, you must first **Undo** the saved calculation.

Make any changes to the payroll on the **Calculate Pay** window by clicking the box with the field you need to modify and insert the change. **Save** changes and review the calculation on the **Review/ Create Paychecks** window.



Edit Hours

Select **Edit Hours** if you need to adjust the number of hours or wage per hour for the pay period. Hours entered on the **Enter Hours** window can be edited directly in **Calculate Pay**, but if hours were entered in **Distribute Hours**, you will need to edit hours on the Distribute Hours window. An employee name must be selected before this option is available.

Changing the hourly rate on the **Edit Hours** window affects only the

current calculation and does not change the employee's hourly rate for future pay calculations.

	Hours	Rate	Amount	Accrued
CSTORE	0.00	8.00	0.00	
Overtime	0.00	12.00	0.00	
Comp	0.00	8.00	0.00	
	0.00		0.00	

Edit Income

Select **Edit Income** if you need to enter information for an additional income that is setup to calculate based on further information, such as mileage, commission, piecework or tips. An employee name must be selected before this option is available.

	Quantity	Rate	Amount
Commission	0.0000	0.05	0.00

Import Income

Select **Import Income** if you wish to import the additional incomes for your employees using a tab-delimited text file. An example is listed below for two employees. One employee, Jennifer Brown, has additional Commission and the other, James Wilcox, has additional Piecework and Mileage.

```
Brown[TAB]Jennifer[TAB]Commission[TAB]2500.00[RETURN]
Wilcox[TAB]James[TAB]Piecework[TAB]127.5[TAB]Mileage[TAB]105.9[RETURN]
```

Import Deduction

Select **Import Deductions** if you wish to import the variable deductions for your employees using a tab-delimited text file. An example is listed below for two employees. One employee, Jennifer Brown, has a reimburse deduction and the other, James Wilcox, has Office supplies.

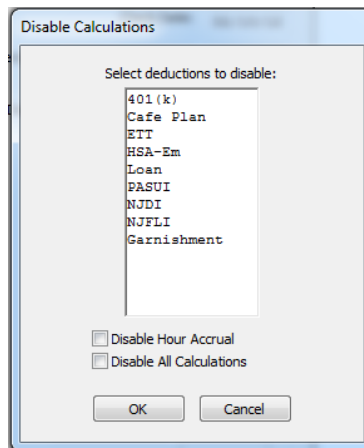
```
Brown[TAB]Jennifer[TAB]reimburse[TAB]2500.00[RETURN]
Wilcox[TAB]James[TAB]Office[TAB]127.5[RETURN]
```


Numbers that are imported in this way will be used in calculations setup on the **Additional Income** window or as the number used as additional income in the payroll calculation. These numbers can be modified, if necessary under the **Edit Income** option.

Disable Calculation

Select this option if you wish a deduction to be turned off for this payroll, for hour accrual to not accrue on this check or to disable all the calculations when entering checks such as after-the-fact payroll checks. Items selected in this window will affect all calculations made while you are in the **Calculate Pay** window. To deselect any or all of the options in this window, close **Calculate Pay** and re-enter the window.

If this option is unavailable, you probably have an employee selected in the list. Deselect the employee and try again.



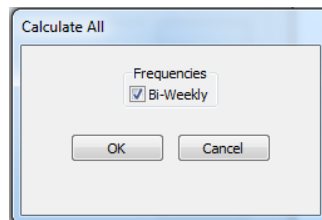
Select any or all deductions that you do NOT wish to calculate on this paycheck. For example, when calculating special checks such as bonus checks, you may not wish for items such as health insurance or 401(k) to be deducted. Select those items from the list then click **OK**.

Disable Hour Accrual - Select this option if you are doing a special check and do not wish employee accruals to calculate on this check. An example is an employee that has accrual based on a per pay period basis and you are calculating a bonus check in addition to a regular paycheck on the same check date.

Disable All Calculations - Select this option if you wish to manually enter all of the employee income, tax and deduction fields such as the case when entering after-the-fact checks.

Note An employee's Social Security and Medicare withholding are exact computations based on values shown for Federal Tax Parameters on the Federal Taxes Setup window and should NOT be manually changed for an individual check. There are, however, times when this is necessary specifically when entering after-the-fact checks since items already distributed MUST be matched exactly. CheckMark Payroll will warn you that these items do not match the calculated value, even when **Disable Calculations** is selected, BUT will allow the change to be saved.

Calculate All Select this option if you wish to have CheckMark Payroll calculate all employees in the pay period at one time based on your company and employee setup. When you select this option, a list of possible pay frequencies appears. Select any or all pay frequencies that you wish to calculate pay. All frequencies enabled are those that appear and have been assigned to employees on the **Wages** tab of the **Employees** window.



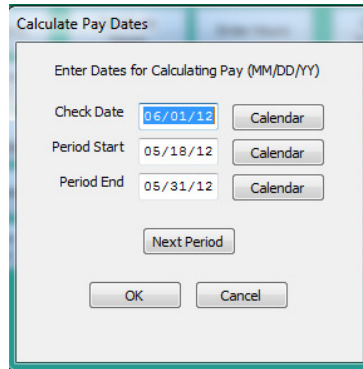
Save Select this option after you have finished editing the employee's pay calculation.

Undo Select this option if you wish to undo an employee's saved calculation. CheckMark Payroll deletes the saved calculation and removes the "\$" from the employee's name turning from "green" to "black" again. If you select **Undo** with no employee name selected from the employee list, ALL calculations that have been saved will be deleted.

- Create Check** Select this option if you wish to create the employee's paycheck directly in this window and not on the **Review/Create Paychecks** window. CheckMark Payroll will not affect employee YTD balances or create reports without creating an employee paycheck. Once the check or direct deposit number is entered, click **Create**.

Calculating Pay for an Employee

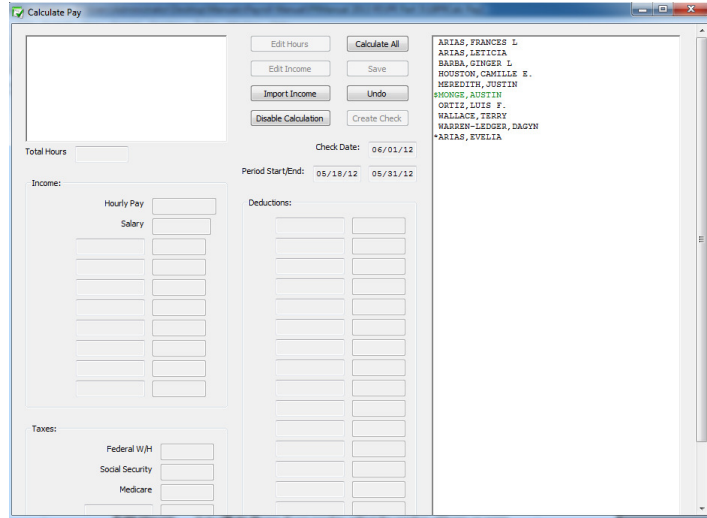
- 1 Click **Payroll** in the **Command Center**, then select **Calculate Pay**.



- 2 Enter the check date for this payroll and press **TAB**.
- 3 Enter the pay period start date and pay period ending date and click **OK**.

Note To make date entry more accurate, you can select the down arrows next to **Check Date**, **Period Start**, and **Period End** date fields to reveal a calendar. Then, simply click the date on the calendar to fill in the appropriate date field. You can also use the **Next Period** advance button to move ahead one pay period at a time. The **Next Period** button will calculate check date, period start and end dates based on the pay frequency set on the first employee in the employee list and dates currently being displayed.

The Calculate Pay Window appears.



- 4 Select an employee from the **Employees** list.

Important An employee's Social Security and Medicare withholding are exact computations based on values shown for Federal Tax Parameters on the Federal Taxes window and typically should *not* be manually changed for an individual check.

CheckMark Payroll calculates the tax withholding amounts using a percentage method, which is more accurate than manual calculations based on the bracket method used in the *Circular E, Employers Tax Guide* or state tax guide. You might find small differences (up to one or two dollars for federal or state withholding) between manual calculations and CheckMark Payroll's calculations. You don't need to be concerned about these minor differences.

The employee's net pay is shown at the bottom of the window.

- 5 Make any necessary changes to the wages shown for the employee.

To enter or modify hours for the employee, click the **Edit Hours** button.

Note Hours entered in the **Distribute Hours** screen cannot be modified on the **Calculate Pay** screen. Close the **Calculate Pay** screen and modify in the **Distribute Hours** screen.

Hours shown for salaried employees do not affect the wage calculations unless the employee has also been set up with hourly pay rates.

- 6 Make any necessary changes to the **Additional Income** amounts.

Don't forget to enter amounts for any Variable Amount Additional Income for this pay period.

Whenever a taxable Additional Income amount is changed, CheckMark Payroll recalculates the appropriate taxes and net pay when the cursor leaves the edit box or the calculated pay is saved.

- 7 Make any necessary changes to **Deduction** amounts.

Don't forget to enter amounts for any Variable Amount Deductions for this pay period.

Whenever a pre-tax Deduction amount is changed, CheckMark Payroll recalculates the appropriate taxes and net pay when the cursor leaves the edit box or the calculated pay is saved.

Important Do not enter negative amounts to account for mistakes made in prior payrolls. Example, if you over paid or over deducted someone on the prior payroll, don't enter a negative amount to compensate for the over deduction or payment. This will adversely affect the tax reporting. You should create a new **Deduction** or **Additional Income** category to properly handle the misappropriated amount.

Employer Match Fields in Calculate Pay Screen

Modifying hours worked and other income amounts will force employer match amounts to recalculate. Changing a regular deduction amount will also force the employer match amount to recalculate, even if disabling deduction calculations. You can modify match amounts for Deductions, but not Taxes.

Fixed % employer matches cannot be modified, unless disabling calculations (which works the same as regular **Deduction** amounts).

The match amount cannot be modified on a deduction where the deduction amount is zero, and the “match if no employee deduction” checkbox is NOT checked, unless using **Disable Calculations**.

Note Employer match amounts for taxes are calculated at the time reports are generated, not when checks are created. Changing employer tax rates though Federal Tax Values at any time will result in the employer match amounts for all previously created checks to change as well.

8 Click **Save** after you've finished editing the employee's pay calculations.

Employees whose calculated pay has been saved are shown in green and prefaced with a dollar sign (\$):



```
Crawford, Alex  
Dickens, Chuck  
$Griffin, Marj  
$Hill, Allison  
$Morrison, Leila
```

You can verify these calculations on the **Review/Create Paychecks** window before creating the paychecks. For details, see “Reviewing Payroll Calculations” on page 137.

After calculating employee pay, you can create the paychecks with the **Review/Create Paychecks** window. For details, see “Creating Payroll Checks” on page 138.

Note CheckMark Payroll does not add the calculated pay to employee records until you create the paychecks.

Calculating Pay for Special Checks

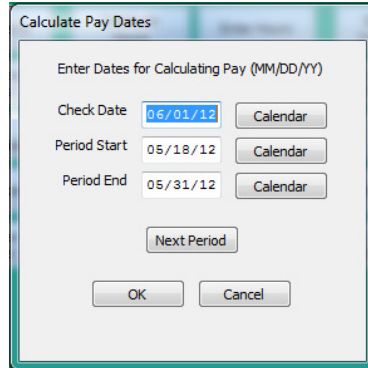
You can use the Calculate Pay window to calculate the pay for special checks, such as after-the-fact or bonus checks.

Calculating Pay for After-the-Fact Checks

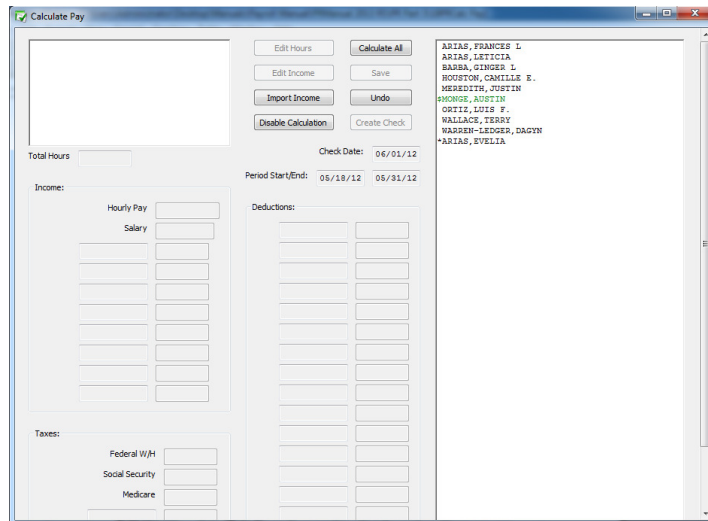
After-the-fact paychecks are paychecks that were issued in the current quarter prior to using CheckMark Payroll. If you have started using CheckMark Payroll mid-year and have used another program or service for previous payrolls, any check in the current quarter needs to be calculated and created in order to get accurate quarterly reports. If you want CheckMark Payroll to keep accurate records for quarterly reports, such as 941s and state reports, you should record these paychecks.

CheckMark Payroll automatically calculates net pay based on the amounts you enter for Wages, Additional Income, Deductions, and Taxes.

- 1 Click **Payroll** in the **Command Center**, then select **Calculate Pay**.



- 2 Enter the check date from the original paycheck and press TAB.
- 3 Enter the period start date and period ending date from the original paychecks and click **OK**.
- 4 The Calculate Pay window appears.



- 5 Select **Disable Calculations**, then choose the **Disable All Calculations** check box.
- 6 Select an employee from the list.

- 7 Enter the check amounts from the employee's paycheck in the appropriate fields.

If you don't want to enter the hours to calculate the wages for hourly employees, you can enter the amount in the Salary edit box.

Note Social Security and Medicare are exact computations based on values entered for Federal Tax Parameters on the Federal Taxes window. If you enter Social Security and Medicare amounts that differ from what the federal tax parameters calculate, CheckMark Payroll warns you that Social Security and Medicare are not correct. Typically you would override the amount to reflect what was actually paid, but you should know that the difference will appear in the Fractions of Cents line on the 941. For more information, see "Types of Federal Tax Reports" on page 186

- 8 Click **Save** after you have finished filling in the paycheck amounts.

Employees whose calculated pay has been saved are shown in green and prefaced with a dollar sign (\$).

Important Do not forget to use the **Review/Create Paychecks** window to create the paycheck since CheckMark Payroll updates employee records *after* the paycheck is created. Use the same check number that was originally disbursed for accuracy. For details, see "Creating Payroll Checks" on page 138.

Calculating Pay for a Bonus Check

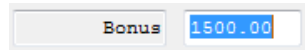
Before calculating a bonus check, the bonus should have been set up for employees as an additional income category. For details, see "Adding Pre-Defined Additional Income Categories to Your Company" on page 50

To calculate the pay for a bonus check, do the following:

- 1 Click **Payroll** in the **Command Center**, then select **Calculate Pay**.
- 2 Enter the date for the bonus check and press **TAB**.
- 3 Enter the period start and period ending date and Click **OK**.
- 4 Select **Disable Calculations** and select any deductions that don't apply to this bonus.

Note: It may be necessary to select the **Disable Accrual** check box while on the **Disable Calculations** window. If you accrue hours such as vacation on a per pay period basis and you are doing a regular paycheck with a bonus check on the same check date, this check box will prevent accruals to occur twice, once for each check created.

- 5 Select an employee from the list.
- 6 If necessary zero out the salary and/or saved hours.
- 7 Enter the bonus amount in the edit box for the **Additional Income** category that was set up for the bonus and press TAB.



A screenshot of a software interface showing a 'Bonus' field. The field is a rectangular box with a light gray border. Inside the box, the word 'Bonus' is written in a small, dark font on the left side. To the right of the text, the number '1500.00' is displayed in a blue font, indicating it is selected or highlighted. The background of the box is white.

- 8 Change the amounts shown for federal, state, or local taxes if necessary.

For guidelines about how much federal tax should be withheld, consult the “Supplemental Wages” section in your *Circular E, Employer’s Tax Guide*.

For guidelines about how much state or local tax should be withheld, consult your state or local tax guides.
 - 9 Click **Save**.

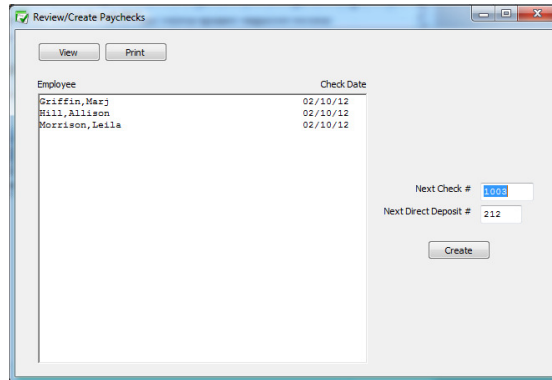
Employees whose calculated pay has been saved are shown in green and prefaced with a dollar sign (\$).
 - 10 Repeat steps 4–8 for each employee who is receiving a bonus for the pay period.
-

Chapter 19 Review/Create Paychecks

After you've calculated the pay for the pay period on the **Calculate Pay** window, use the **Review/Create Paychecks** window to check saved calculations for your employees and create paychecks. Once paychecks are created, CheckMark Payroll updates employee records with the new paycheck information.

Reviewing Payroll Calculations

- 1 Click **Payroll** in the **Command Center**, then select **Review/Create Paychecks**.



- 2 Select one or more employees from the list.
If no names are highlighted, all employees listed will be reported.
You can select a consecutive or non-consecutive series of employees.

Note Only those employees whose pay has been calculated and saved on the **Calculate Pay** window appear in the list. If you don't see the employee you want, go to the **Calculate Pay** window and make sure that the employee's calculated pay has been saved. Employees with calculated pay are shown in green and prefaced by a dollar sign (\$) on the **Calculate Pay** window.

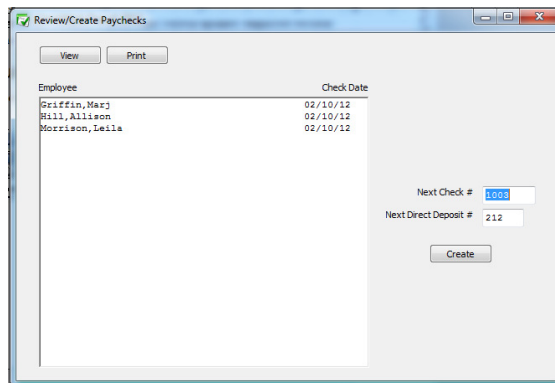
If any information is incorrect, you must return to the **Calculate Pay** screen and make the changes. For more information on calculating pay, see "Calculate Pay" on page 124

3 Click **View** or **Print**.

Creating Payroll Checks

You can create one paycheck at a time or all of them at the same time.

1 Click **Payroll** in the **Command Center**, then select **Review/Create Paychecks**.



2 Select one or more employees from the list.

If no names are highlighted, paychecks for all employees listed will be created.

You can select a consecutive or non-consecutive series of employees.

Note Only those employees whose calculated pay has been saved on the **Calculate Pay** window appear in the list. If you don't see the employee you want, go to the **Calculate Pay** window and make sure that the employee's pay has been saved. Employees whose pay has been saved are shown in green and prefaced by a dollar sign (\$) on the **Calculate Pay** window.

3 Change the **Next Check #** or **Next Direct Deposit #**, if necessary.

When creating multiple checks, CheckMark Payroll consecutively assigns check numbers starting with the check number entered. Pay calculations for employees set up with Direct Deposit are consecutively numbered starting with the direct deposit number entered.

Keeping Check # and Direct Deposit # numbering systems different allows for easier identification of what items print on which stock when printing.

Note Review Calculations is displaying/printing the calculation saved at the time it is viewed/printed. Calculations can still be modified and do not affect employee YTD totals until the paycheck is created. There are no company totals in Review Calculations.

4 Click **Create**.

Creating checks updates the year-to-date totals to include the current check calculations. The employee names for which paychecks have been created no longer appear in the list since the paycheck's calculation data has been used.

You can print the check with the **Print Paychecks** window.

Once created, a paycheck's calculations cannot be changed. However, you can use the **Modify Paychecks** window to modify the check number, delete or void the check.

Chapter 20 Print Paychecks

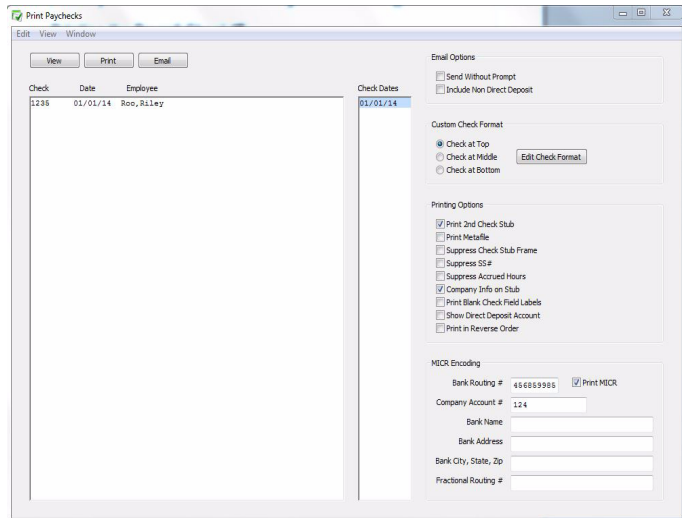
Printing the Payroll Checks

After you've created the paychecks, you can print them with the **Print Paychecks** window. Printing paychecks is an optional step because it's not necessary for posting check information to the employee's earnings records.

Paychecks can be printed or reprinted. Reprinting a paycheck doesn't affect employee records. *In the list, checks that have already been printed have an asterisk (*) after the check number.*

You can select the print font and size for printing checks on the **Select Print Font** window located under the **File** menu.

- 1 Click **Payroll** in the **Command Center**, then select **Print Paychecks**.



- 2 Select the check date for the checks that you want to display in the list.
- 3 Select one or more checks from the list.

If no checks are highlighted, all checks listed will be printed.

Note If you have some employees set up for ACH or Web Direct Deposit, you should make sure they are not selected. Otherwise, you will print actual checks for them unnecessarily. You can always print their check information on blank paper, separate from the check run. Or select the **Email** button to email a stub to those employees.

- 4 Select and set any necessary email, format and print options and click **Print**.

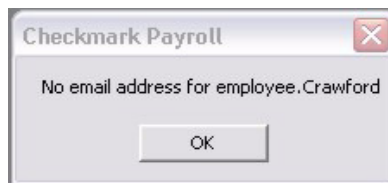
If one or more checks jam in your printer, you can reprint the check with a new check number. For details, see “Modifying Payroll Checks” on page 147.

Emailing Paystubs to Employees

You may wish to send paystubs to employees via email, especially employees who participate in direct deposit.

- 1 Click **Payroll** in the **Command Center**, then select **Print Paychecks**.
- 2 Select check date(s).
- 3 Select check or series of checks from list.
- 4 Review the different **Printing Options** and **Email Options**. Select or change as needed.
- 5 Click the **Email** button.

An alert will appear for any paystub you try and send where no email address is entered in the employee setup window. The alert will include the employee’s last name.



Windows: Uses Messaging Application Program Interface (MAPI) that is a part of the Windows operating system. This feature may require additional setup in your email program. This feature does not necessarily interface with an internet based email program.

Macintosh: Emailing paystubs will only work with the Apple Mail program. To set Mail as the default mail program first launch the Mail program. Under the Mail menu, select Preferences. On the General tab, select the Mail program as the default. Close the Preferences window.

Email Options

Send Without Prompt

If you would like to have the email sent automatically without having to select the Send button in your email program for each employee, select this option. (Windows users may require some preference selection in your email program.)

Include Non Direct Deposit

Allows you to email paystub information to employees not set up as direct deposit employees.

Check Format

Default

Select this option if you use pre-printed laser checks that have the check positioned in the middle third of the page. Stubs are positioned top and bottom.

Check at Top

Select this option if you use a laser check that has the check positioned in the top third of the page, but you would like to align the printing fields on the check to coincide with pre-printed positions OR your check stock is blank and you are printing all fields on the check. If you have more than four Additional Incomes and/or eight Deductions for an employee, we recommend using check stock with the check on top.

Check at Middle

Select this option if you use a laser check that has the check positioned in the middle third of the page, but you would like to align the printing fields on the check to coincide with a pre-printed position OR your check stock is blank and you are printing all fields on the check.

Check at Bottom

Select this option if you use a laser check that has the check positioned in the bottom third of the page, but you would like to align the printing fields on the check to coincide with a pre-printed position OR your check stock is blank and you are printing all fields on the check.

Edit Check Format

This option is only available when **Custom - Check in Middle** or **Custom - Check at Top** is selected. Click this button to access the printing fields and be able to adjust their position and/or enable or disable the fields from printing. For details, see “Formatting Checks, W-2s, and W-3s” on page 227.

Printing Options

Print 2nd Check Stub

If **Print 2nd Check Stub** is checked, a second stub will be printed on the bottom third of an 8 1/2 by 11 inch laser check.

Print Metafile (Win) or Print PDF/PICT File (Mac)

If **Print Metafile** or **Print PDF/PICT File** is checked, an Open dialog will appear when you print checks that allows you to select a Metafile or PDF/PICT to print along with the check

Note: Windows Metafiles and Mac PICT files are graphic files created outside the Payroll program using a graphics/drawing type program. These files can be created by you to add items to your checks such as company logos or special messages. Mac will also read/print a PDF file. When selected, the Metafile or PDF/PICT file will print on all checks selected.

Suppress Check Stub Frame

If **Suppress Check Stub Frame** is checked, the frame around the check stub that normally prints will be omitted.

Suppress SS#

If **Suppress SS#** is checked, employees' Social Security numbers will not print on the check stub.

Suppress Accrued Hours

If **Suppress Accrued Hours** is checked, the accrued Hours Available and YTD Used hours will not print on the check stub.

Company Info on Stub

If **Company Info on Stub** is checked, your company's name, address, city, state, zip and phone number from the Company Information window will appear across the top of the check stub.

Note: If check box "Use on reports and checks" on the Company Information screen is selected, the Trade Name will print on the check stub.

Print Blank Check Fields

If **Print Blank Check Fields** is checked, "Pay", "To the Order of", "Amount", and "Authorized Signature" field labels on blank check stock used for MICR encoding will print. Available with middle check layout only.

Show Direct Deposit Account

If **Show Direct Deposit Account** is checked.

MICR Encoding

CheckMark Payroll will print the MICR Encoding information on blank check stock. To enable MICR printing, you must select the **print MICR** checkbox and fill in the appropriate bank information fields.

MICR Encoding

Bank Routing #	123456789	<input checked="" type="checkbox"/> Print MICR
Company Account #	1328562512	
Bank Name	My Bank	
Bank Address	100 Main Street Plaza	
Bank City, State, Zip	Anytown USA	
Fractional Routing #	12-354/56	

Note The MICR encoding will not print on checks for employees who are marked to receive direct deposit.

Bank Routing # This is a nine digit number to identify your bank. It is usually the first nine digits at the bottom on a pre-printed check.

Company Account# This is your company account number at the bank. This field will accommodate up to 15 digits.

Bank Name, Bank Address, Bank City State, Zip This is the information that identifies your bank.

Fractional Routing # Almost all checks have a fraction at the top right side of the check. Some do not. The fraction is shown as a hyphenated numerator (top) over a three to four digit denominator (bottom. This number is also called a Non-MICR ACH#.

Note In most cases, the MICR software automatically prints the symbols. Manually enter the symbols as:

Enter a “D” (capital D) to type a MICR hyphen: **␣S**

Enter a “C” (capital C) to type this symbol: **␣**

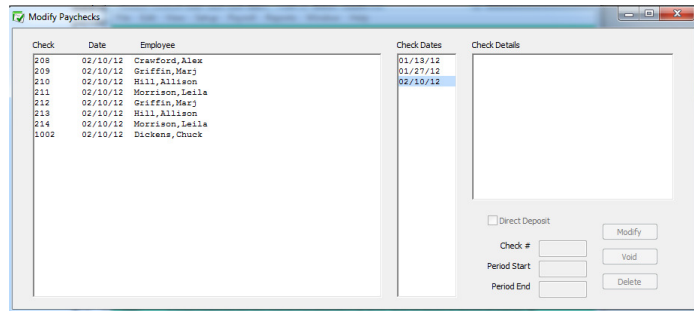
Enter an “A” (capital A) to type this symbol: **␣**

Chapter 21 Modifying Paychecks

Modifying Payroll Checks

Once paychecks have been created, you can use the **Modify Paychecks** window to modify check numbers, modify and void check numbers, change period start and end dates, void or delete employee paychecks.

When you open the **Modify Paychecks** window, checks already created in CheckMark Payroll are listed on the left with the coordinating check date selected. *By default, the last check date created is the date selected when entering the window.* To see details of an individual check, select the check on the left and details will be displayed on the right side under **Check Details**.



Once selected, a check's calculations appear in **Check Details**. Items displayed in this part of the screen cannot be modified. If more than one check is selected, nothing will be displayed in Check Details.

Check Details	
Bonus	12345.78
Federal	2694.45
Social Security	512.22
Medicare	176.84
State	522.00
Local	5.75
401 (k)	740.75
Cafe Plan	150.00
Net	7543.77

Modifying a Check Number

- 1 Click **Payroll** in the **Command Center**, then select **Modify Paychecks**.
- 2 Select the check date for the check(s) that you want to display in the list.
- 3 Select one or more checks to modify.

You can select a consecutive range of checks from the list.

- 4 Enter the new starting check number in the **Check #** edit box, then click **Modify**.

Note An alert will appear if duplicate check numbers are entered in the current list.

Note If you selected a range of checks, they will all be renumbered consecutively. If the checkbox for **Direct Deposit** is checked, make sure you use the numbering sequence for your **Direct Deposit** checks.

If you need to print this check on check stock, de-select the check box, change the Check # displayed in the Check # box and then select **Modify**. When prompted, select whether you wish to save the direct deposit number as a void item in your list.

<input checked="" type="checkbox"/> Direct Deposit	Modify
Check # 208	Void
Period Start 01/29/12	Delete
Period End 02/12/12	

Note An alert appears asking if you want to retain existing check number as “Void” before renumbering.

Modifying Period Start and End Dates

- 1 Click **Payroll** in the **Command Center**, then select **Modify Paychecks**.
- 2 Select the check date for the check(s) that you want to display in the list.
- 3 Select one or more checks to modify.

You can select a consecutive range of checks from the list.

- 4 Enter the new **Period Start** and/or **Period End** dates in the Date(s) edit box, then click **Modify**.
-

Note If a check date was entered incorrectly, you must delete checks with incorrect date and then re-enter the paycheck with correct check date.

Voiding a Check

You can void an employee’s paycheck, which retains the check number, replaces the employee’s name with “Void,” and subtracts the check amounts from the employee’s year-to-date balances.

- 1 Select the check date for the check(s) that you want to display in the list.
- 2 Select one or more checks to void.

You can select a consecutive range of checks from the list.

- 3 Click **Void**.

An alert appears asking if you want to mark the check(s) as void.

- 4 Click **Yes**.
-

Note There is not a general ledger in CheckMark Payroll. Voided paychecks may still need to be recorded in your accounting program as certain programs will not allow for posting of a \$0.00 item.

Deleting a Check

Deleting a check removes all information associated with the check and subtracts the values from the employee’s year-to-date balances.

- 1 Select the check date for the check(s) that you want to display in the list.
- 2 Select one or more checks to delete.

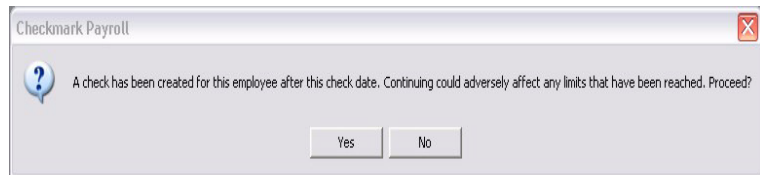
You can select a consecutive series of checks from the list.

3 Click Delete.

An alert appears asking if you want to remove the amounts from the employee's **YTD** balances.

4 Click Yes.

Note If you Void or Delete a check for an employee after another check has been created for that same employee, you will receive an alert warning that the limits for Social Security, SUTA and FUTA could be adversely affected.



Chapter 22 Allocate to Dept/Job

Allocating Wages After Paychecks are Created

You can use the **Allocate to Depts/Jobs** window to allocate an employee's wages and employer taxes to more than one Department or MultiLedger Job after a check has been created.

You can also use the **Allocate to Depts/Jobs** window to re-allocate an employee's hours that were allocated using the **Distribute Hours** window. If you re-allocate hours for hourly employees on this window, the employee's wages are re-allocated automatically as well.

Please note that re-allocating hours for salaried employees does not automatically allocate their wages by department or job.

Re-allocating Hours for Hourly Employees

If you created a check for an employee after entering hours by Department or Job on the **Distribute Hours** window, you can re-allocate those hours to Departments or Jobs on the **Allocate to Depts/Jobs** window without having to delete the check and recalculate pay for that employee.

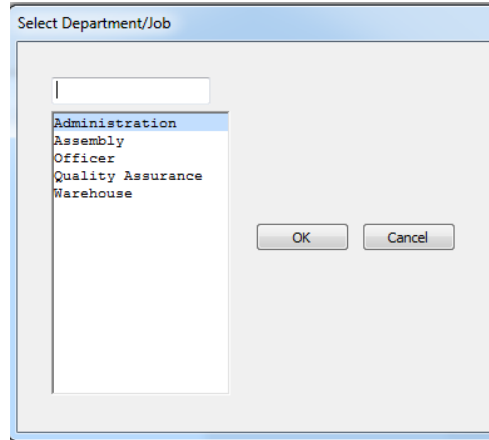
- 1 Click **Payroll** in the **Command Center**, then select **Allocate to Depts/Jobs**.
- 2 Select **Department** or **Job**.
- 3 Select the appropriate check date from the **Check Dates** list.
- 4 Select the appropriate check from the list on the left.

Checks that have already been allocated to Departments or Job on the **Distribute Hours** window are prefaced with an asterisk (*). A window similar to the following appears

Check	Date	Employee	Amount	Department	Job	Check Dates
008	02/10/12	Crewford, Alex	2500.00			01/13/12
009	02/10/12	Griffin, Marj				01/13/12
010	02/10/12	Bill, Allison				02/10/12
011	02/10/12	Morseem, Leila				02/10/12
012	02/10/12	Griffin, Marj				
013	02/10/12	Bill, Allison				
014	02/10/12	Morseem, Leila				
1002	02/10/12	Dickens, Chuck				

- 5 Select the hours you want to change, enter the correct hours for each Department or Job, then press TAB.

- 6 If **Department** is selected, a list of Departments appears.



If **Job** is selected, an **Open File** dialog appears when you tab to the **Job** number field. Locate the MultiLedger company containing the Jobs you wish to use, then click **Open**.

You may have to change folders in the dialog box to locate the MultiLedger company. The MultiLedger company you select must be closed in order for the Jobs to be loaded into your Payroll company.

- 7 When you are finished re-allocating hours, press **TAB** to leave the last field, then click **Save**.

When you re-allocate hours, the employee's wages are re-allocated automatically too.

Allocating Wages and Taxes for Salaried Employees

You can allocate a salaried employee's wages and employer taxes to Departments or MultiLedger Jobs using the **Allocate to Depts/Jobs** window after a check has been created.

- 1 Click **Payroll** in the **Command Center**, then select **Allocate to Depts/Jobs**.
- 2 Select **Department** or **Job**.
- 3 Select the appropriate check date from the **Check Dates** list.
- 4 Select the appropriate check from the list on the left.

Checks that have already been allocated to Departments or Jobs are prefaced with an asterisk (*).

If the check has been allocated already, you'll need to select the amount to be re-allocated. If the check has not been allocated, the amount appears in the edit box.

If you are allocating by Department, skip to step 5.

If you are allocating by MultiLedger Job, and you have not already loaded the jobs into your Payroll company, an Open File dialog appears.

You may have to change folders in the dialog box to locate the MultiLedger company. The MultiLedger company you select must be closed in order for the Jobs to be loaded into your Payroll company.

Click **Open** to load the Jobs into your Payroll company.

- 5 Enter the wage amount that you want to allocate to a Department or Job, then press TAB.

Important The Wage amount that appears consists of salary wages only, and does not include any Additional Income amounts, unless the Additional Income category is set up with the Include with Wages for Dept/Job Posting option checked.

If you are editing an existing allocation, you can select the desired line of allocation for editing, then enter the correct wage amount.

To delete a line of allocation, select the line, then click **Delete Line**. You will need to re-allocate the remaining wages amounts.

- 6 Select the Department or Job from the list and click **OK**.
- 7 When the remaining wages amount is zero, click **Save**.

Deleting Allocations

- 1 Click **Payroll** in the **Command Center**, then select **Allocate to Depts/ Jobs**.
- 2 Select the appropriate check date from the **Check Dates** list.
- 3 Click **Undo**.

Checks that have already been allocated to Departments or Jobs are prefaced with an asterisk (*).

The check will no longer have an asterisk next to it indicating that it no longer has allocated amounts.

Chapter 23 Create Payments

After an employer payee is setup on the **Employer Payees** window and at least one paycheck has been created, you can calculate the amount of liability based on a single check date or range of check dates and create payment checks on the **Create Payments** window.

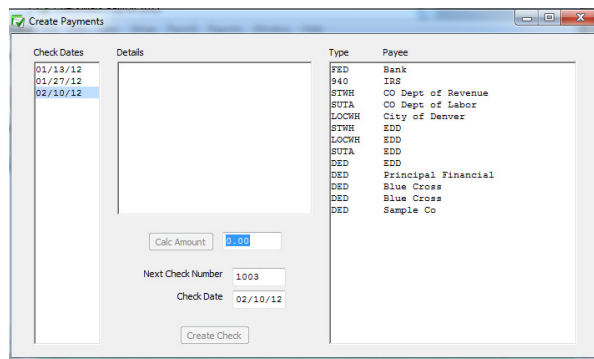
CheckMark Payroll allows you to override the amount of liability by selecting the amount box and changing the amount you wish to submit on the payment check. Calculations are based on the paychecks created for the check date(s) selected.

You can select up to five payee categories at one time, but types Fed and 940 payments have to be made as individual checks and cannot be combined with each other or any other liability payment.

Important Creating payment check in the CheckMark Payroll program in no way affects your employer reports.

Creating Employer Payments

- 1 Click **Payroll** in the **Command Center**, then select **Create Payments**.



- 2 Select the date or range of dates for the employer payment calculation from the **Check Dates** list.

3 Select the **Payee(s)** for the payment from the **Payees** list.

You can select up to five different payees per check by dragging through the list for consecutive selections, or using the CTRL key (Windows) or Command (⌘) key (Mac) for a non-consecutive selections. If you don't see the payees you want in the list, they haven't been set up on the Employer Payees window. For details, see "Chapter 13 Setting Up Employer Payees" on page 93

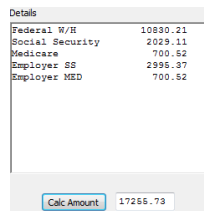
Note You cannot combine 941 and 940 payments.

4 Click **Calc Amount**.

The calculated amount appears in the edit box.

Note You can override the calculated amount shown for the payment by editing the value in the Amount edit box. However, if you override the calculated amount on this window, it will not change any reports, as they are based solely on paychecks created.

Once calculated, an employer payment's calculations appear in the middle box. You cannot edit the calculation details. The calculation details for State W/H do not appear, only the amount due.



Details	
Federal W/H	10830.21
Social Security	2029.11
Medicare	700.52
Employer SS	2996.37
Employer MED	700.52

Calc Amount 17255.79

5 Verify the check number and date and change if necessary.

Check numbers can be up to 8 numbers in length. Letters and other characters entered will be truncated.

6 Click **Create Check**.

Important Employer Payments can only be created with a check date in the current payroll year.

Chapter 24 Print Payments

Printing Employer Payment Checks

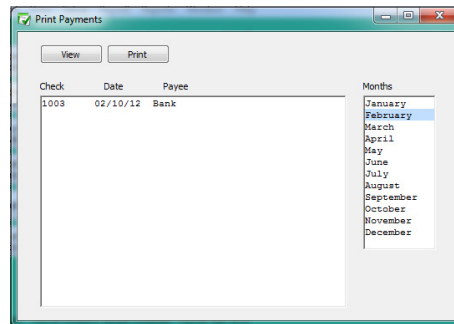
After you've created the employer checks, you can print them with the **Print Payments** window. Printing checks is optional because it's not necessary for employer check reports.

Checks can be printed or reprinted. Reprinting a check doesn't affect employer check reports. In the list, checks that have already been printed have an asterisk (*) after the check number.

You can select the print font for printing checks on the **Select Print Font** window located under the **File** menu.

Note Formatting and printing options for payments are based on format and printing options set in Print Paychecks including the MICR encoding.

- 1 Click **Payroll** in the **Command Center**, then select **Print Payments**.



- 2 Select the month for the checks that you want to display in the list.
- 3 Select one or more checks from the list.

If no checks are highlighted, all checks listed will be printed.

You can select a consecutive or non-consecutive series of checks.

- 4 Make sure you've loaded checks (or blank paper) into your printer.
- 5 Click **Print**.

Tip To verify the print alignment on your specific printer, print a check on a blank piece of paper. Then hold a blank check underneath the printed check values to test the alignment.

Chapter 25 Modify Payments

Modifying Employer Payment Checks

The **Modify Payments** window allows you to modify check numbers, change dates, void or delete employer payment checks.

When you open the Modify Payments window, payments already created in CheckMark Payroll are listed on the left with the month of the last payment selected.

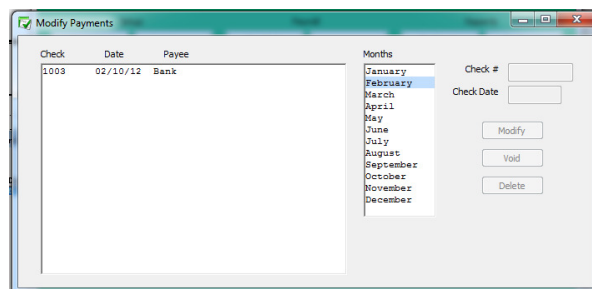
Check Number

The **Check Number** field displays the number of the items selected. If more than one item has been selected, the check number displayed will coincide with the first item in the list selected. If a group has been selected, all checks will be renumbered consecutively. When prompted, select whether you wish to save the “old” check number(s) as void in your list.

Check Date

The **Check Date** field displays the dates entered on the **Check Dates** window when you entered the **Calculate Pay** window. You can change the month and day, but the year must coincide with the payroll year displayed on the **Company Information** window.

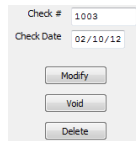
Important: You cannot modify the **Check Date** of a paycheck. If the **Check Date** was entered incorrectly, you will need to delete the checks with the incorrect **Check Date** and re-enter the paycheck with the correct check date.



Modifying the Check Number or Date for an Employer Check

- 1 Click **Payroll** in the **Command Center**, then select **Modify Payments**.
- 2 Select the month for the check that you want to display.

- 3 Select the check that you want to modify from the list.
- 4 Modify the check number or check date in the edit boxes.



A screenshot of a web-based form for modifying a check. The form has two input fields: "Check #" with the value "1003" and "Check Date" with the value "02/10/12". Below the fields are three buttons: "Modify", "Void", and "Delete".

- 5 Click **Modify**.

Voiding an Employer Check

Voiding an employer check retains the check number, replaces the payee's name with "Void," and subtracts the amounts from the employee's YTD balances.

- 1 Select the month for the check that you want to display.
- 2 Select the check from the list.

- 3 Click **Void**.

An alert appears asking if you want to mark the check as void.

- 4 Click **Yes**.

Deleting an Employer Check

Deleting removes all information associated with the selected check and subtracts the amounts from the employee's YTD balances.

- 1 Select the month for the check that you want to display.
- 2 Select the check from the list.
- 3 Click **Delete**.

An alert appears asking if you want to delete the check.

- 4 Click **Yes**.

Note If you **Void** or **Delete** a check for an employee after another check has been created for that same employee, you will receive an alert warning that the limits for Social Security, SUTA and FUTA could be adversely affected.

Chapter 26 Posting Payroll Information to MultiLedger

This chapter shows you how to post employee check and employer payment information to CheckMark's MultiLedger accounting package.

Posting Employee Checks to MultiLedger

Employee check information from CheckMark Payroll can be posted to MultiLedger by following these instructions. Paychecks post to MultiLedger as two general journal entries.

Set up Ledger Accounts in CheckMark Payroll

Before posting to MultiLedger, you should assign account numbers to payroll categories in CheckMark Payroll.

- 1 In **CheckMark Payroll**, click **Setup** in the **Command Center**, then select **Ledger Accounts**.
- 2 Assign MultiLedger account numbers to all applicable **Payroll Categories**.

For more information on setting up Ledger Accounts, see "Chapter 14 Setting Up Ledger Accounts" on page 97

Review Posting Summary

After you have calculated payroll and created checks in CheckMark Payroll, you should review the **Posting Summary** to make sure the information is correct before you post to MultiLedger.

- 3 In **CheckMark Payroll**, click **Reports** in the **Command Center**, then select **Employee Paychecks**, then select **Posting Summary**.
- 4 Select the appropriate **Check Date(s)**.
- 5 Highlight the checks that you want to review from the list on the left.

If no checks are highlighted, information for all checks will be reported.

6 Click **View** or **Print**.

The Posting Summary report shows check information in a summarized format. The net for each check is shown, along with totals for wages, income, taxes, and deductions. Employer payroll taxes are shown as an entry at the bottom of the report. These are accrued tax liabilities and total expense for Social Security, Medicare, FUTA, and SUTA.

7 Verify that all ledger accounts are assigned correctly.

Posting to MultiLedger

8 Make sure you have your **MultiLedger** company files open.

9 In **CheckMark Payroll**, click **Reports** in the **Command Center**, then select **Employee Paychecks** if you haven't already.

10 Select the appropriate **Check Date(s)**.

11 Select **CheckMark** from the **Format** drop-down list.

12 Highlight the checks that you want to post to **MultiLedger** from the list on the left.

If no checks are highlighted, all checks will be posted/sent to MultiLedger to be posted.

13 If you distribute wages or hours to jobs, you should check the **Include Jobs in Post Summary** option.

14 Check the **Mark Posted Checks** option.

That way, checks that have been posted to MultiLedger will be marked with an "x". Using this feature does not prevent posting again if you delete the general journal entries in MultiLedger.

15 Verify that the **Checks Reference #**, **Taxes Reference #**, **Checks Posting Date**, and **Taxes Posting Date** are correct.

For CheckMark MultiLedger use

Check Reference #	07-02/10
Taxes Reference #	E7-02/10
Checks Posting Date	02/10/12
Taxes Posting Date	02/10/12

Post To MultiLedger

You can use these edit boxes to enter reference numbers and posting dates for checks posted to MultiLedger. The default name for the Checks Reference # is "PR" followed by the date of the first unmarked check in the list. The default name for the Taxes Reference # is "ET" followed by the date of the first unmarked check in the list. For information on marking checks that have been posted to MultiLedger, see step 13 above.

The default date for the Checks Posting Date and Taxes Posting Date is the date of the first unmarked check in the list. If necessary, you can change the information in these edit boxes.

Note If you need to post payroll checks that have the same date as checks you've already posted, you should change the Checks Reference # and Taxes Reference #. Otherwise, you will receive an error message and the posting will fail, as MultiLedger cannot accept entries with both the same reference number and same date.

16 Click **Post to MultiLedger**. When the posting is complete, a message appears, "Post command sent to MultiLedger". The checks will be posted to the general journal in MultiLedger.

Voided checks will also post over to MultiLedger as 0.00 in the general journal entry and appear as 0.00 in the bank reconciliation window.

17 Click **OK**.

Note When you receive the message that the posting has been sent, it does not necessarily mean that the posting was successful. The posting process sends information from CheckMark Payroll to MultiLedger, but does not send information from MultiLedger back to CheckMark Payroll. You should check the General Journal in MultiLedger to make sure the PR and ET entries were sent correctly. You should see two entries in the General Journal in MultiLedger. A PR-[date] entry for employee paychecks and an ET-[date] entry for employer taxes.

Posting Employer Checks to MultiLedger

Employer payment checks from CheckMark Payroll can be posted to MultiLedger by following these instructions. Employer Payments post to MultiLedger's Disbursements journal.

Set up Ledger Accounts in CheckMark Payroll

Before posting to MultiLedger, you should assign account numbers to payroll categories in CheckMark Payroll.

- 1 In **CheckMark Payroll**, click **Setup** in the **Command Center**, then select **Ledger Accounts**.
- 2 Assign **MultiLedger** account numbers to all applicable **Payroll Categories**.

Review Posting Summary

After you have created employer payment checks in CheckMark Payroll, you should review the Posting Summary to make sure the information is correct before you post to MultiLedger.

- 3 In **CheckMark Payroll**, click **Reports** in the **Command Center**, then select **Employer Payments**, then select **Posting Summary**.
- 4 Select the month.
- 5 Highlight the checks that you want to review from the list on the left.
If no checks are highlighted, information for all checks will be reported.
- 6 Click **View** or **Print**.
- 7 Verify that all ledger accounts are assigned correctly.

Posting to MultiLedger

- 8 Make sure you have your **MultiLedger** company files open.
 - 9 In **CheckMark Payroll**, click **Reports** in the **Command Center**, then select **Employer Payments** if you haven't already.
 - 10 Select the month or series of months.
 - 11 Highlight the checks that you want to post to **MultiLedger** from the list on the left.
If no checks are highlighted, all checks will be posted/sent to be posted to MultiLedger.
 - 12 Select **CheckMark** from the **Format** pull-down menu.
-

13 Click Post to MultiLedger.

If a vendor does not exist in MultiLedger, you will be asked to add the vendor. When the posting is complete, a message appears, "Post command sent to MultiLedger". The checks will be posted to the Disbursements Journal in MultiLedger.

14 Click OK.

Note When you receive the message that posting has been sent, it does not necessarily mean that the posting was successful. The posting process sends information from CheckMark Payroll to MultiLedger, but does not send information from MultiLedger back to CheckMark Payroll. You should check the Disbursements Journal in MultiLedger to make sure the checks were sent correctly.

Part 4

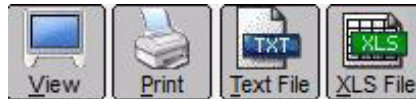
Reports

CheckMark Payroll offers a variety of reporting options. Most reports can be viewed on screen, printed, saved as a text or .xls file.

Using the Report Windows

This brief section shows you how to use the tool bar on the report windows and how to look for items in lists and on-screen reports with the Find command.

Using CheckMark Payroll's Tool Bar with Reports



When you click **View**, the report appears on your screen. You can then use the **Find** command under the **Edit** menu to look for specific items on the report. To close an on-screen report, choose **Close** from the window's **Control** menu or click the close box in the corner of the report window.



When you click **Print**, a **Print** dialog appears. Select the print options that you want, and click **Print**.



When you click **Text File**, a **Save** dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.



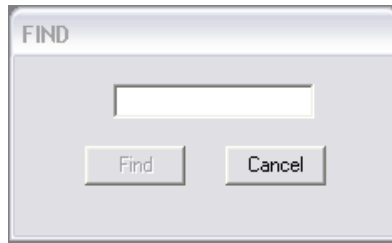
When you click **XLS File**, a **Save** dialog appears. Change the name of the .xls file if you want and click **Save**. It is recommend that you use the import function, instead of just opening, the .xls file into a spreadsheet program. This can provide better formatting.

Using the Find Command with Reports

Some on-screen reports allow you to use the **Find** and **Find Again** commands under the **Edit** menu. You can search for anything that can be entered from your keyboard, such as check numbers, names, or amounts.

You can also use the **Find** and **Find Again** commands for screens that list your employee list such as the Employee Set Up screen or the Employee Earnings window.

When you choose **Find** from the **Edit** menu, the following window appears:



Enter the characters that you want to search for and click **Find**. The report line containing those characters is highlighted. The **Find** command is not case sensitive.

Find Again looks for the next occurrence of the last characters entered in the **Find** edit box.

Note If the report is long enough to create a scroll bar along the right hand side of the report, you can scroll down using your mouse's scroll wheel.

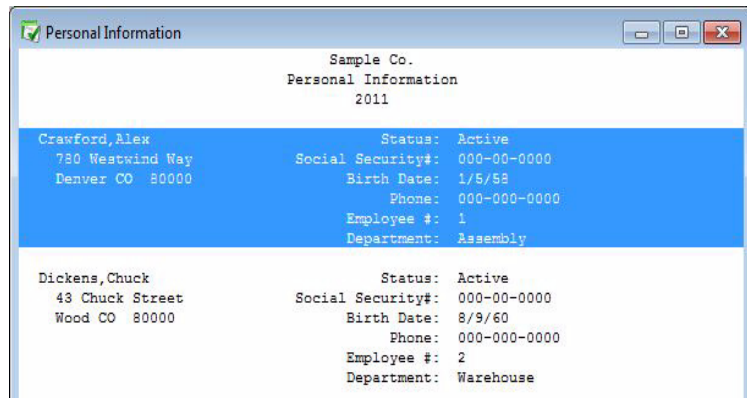
Copy and Paste Report Information

For each report, you can use the **View** command button to view the information. Using your mouse, you can highlight all or any specific information listed in the report and **Copy** that information to your computer's clipboard. You can then open up any word processing or spreadsheet program and **Paste** the information into that system for further modification.

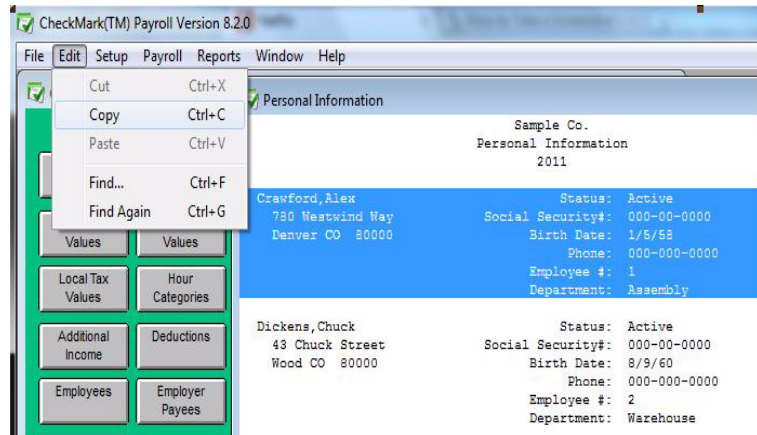
This can be helpful if you want to create a report on specific information in a report instead of exporting all the information as a .txt or .xls file.

Example of Employee's Information Copy and Paste

- 1 Open up the **Employee Information** report screen. Select the **Personal Information** option and click **View**.
- 2 Using your mouse, highlight the information you want to **Copy** by holding down the mouse button and dragging the cursor until all content is highlighted.



- 3 Go under the **Edit** menu at the top of the screen and select **Copy**.



- 4 Open up a word processor or spreadsheet program and use the **Paste** function in that program to insert the information.

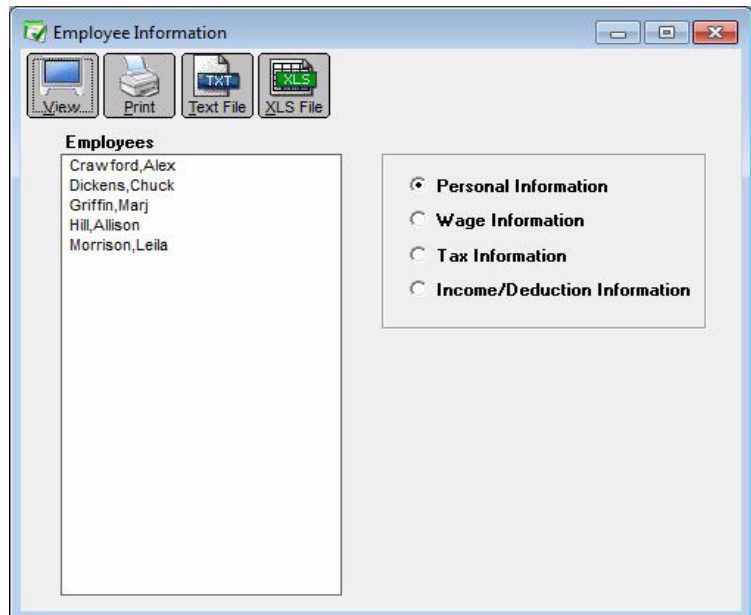
Chapter 27 Employee Information

Types of Employee Information Reports

- Personal Information** The Personal Information report shows the employee personal data, including name, address, phone number, Social Security number, birth date, employee number, employment status, email address and default department.
- Wage Information** The Wage Information report shows the employee's salary or hourly rates, pay frequency, hire date, last raise date, termination date, accrued hours available, and department/job distribution percentages, and direct deposit if marked.
- Tax Information** The Tax Information report shows the tax set up for the employee including, W-2 options, selected federal, state, SUTA state, local tables, and more.
- Income/Deduction Information** The Income/Deduction Information report shows the Additional Income and Deduction categories and their associated definitions that have been set up for the selected employees.

Creating Employee Information Reports

- 1 Click **Employee Information** in the **Command Center**.



- 2 Select the employee or employees for the report.

You can select a consecutive or non-consecutive series of employees from the list by dragging through the list or using the CTRL key (Windows) or Command (⌘) key (Mac).

If no employee names are highlighted, all employees will be reported.

- 3 Select the type of report.
- 4 Click **View**, **Print**, **Text File** or **XLS File**.

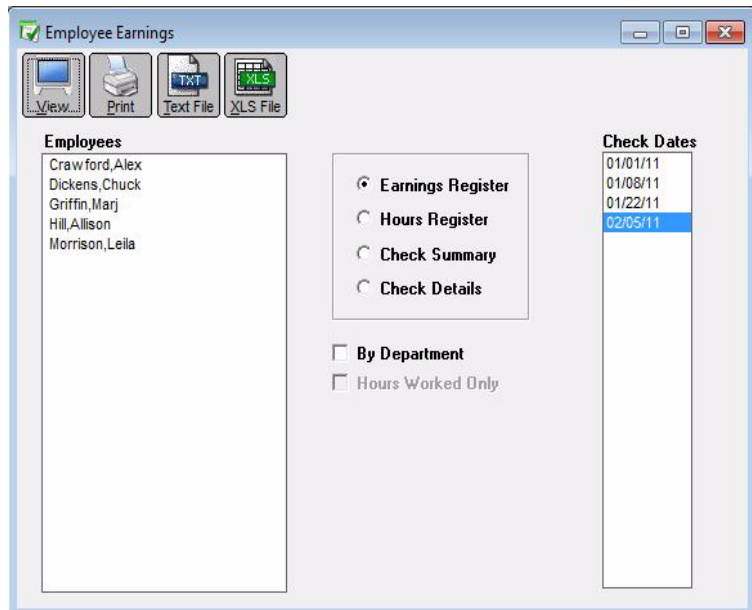
Chapter 28 Employee Earnings

Types of Employee Earnings Reports

- Earnings Register** For the range of check dates selected, the Earnings Register report shows the employee's selected check period along with YTD income, deductions, taxes, and net pay, as well as any employer matching amounts. Totals for the company are listed at the end of the report. You can see this report arranged by department by selecting the **By Department** checkbox.
- Hours Register** For the range of check dates selected, the Hours Register report shows the employee's selected check period and year-to-date hours for hour categories as well as accrued hours available.
- You can also get an Hours Register report that contains only **Hours Worked**. Simply check the **Hours Worked Only** box. This report is helpful in filling out worker's compensation reports or SUTA reports in states where this information is required.
- Check Summary** The Check Summary report shows an employee's income, taxes, deductions, and net, vacation and sick pay for each check in the selected check dates. Totals for all categories are also shown by employee.
- Check Details** The Check Details report shows income, tax amounts, deductions, total tax amounts, total deductions, and net pay by check for each selected employee for the selected check dates. Totals for selected employees are listed at the end of the report.
-

Creating Employee Earnings Reports

- 1 Click **Employee Earnings** in the **Command Center**.



- 2 Select the employee or employees for the report.

You can select a consecutive or non-consecutive series of employees from the list by dragging through the list or by using the CTRL key (Windows) or COMMAND (⌘) key (Mac).

If no employee names are highlighted, all employees will be reported.

- 3 Select the type of report.
- 4 Choose one or more check dates.

You can select a consecutive series of check dates from the list by dragging through the list. For details, see "Making Selections in a List Box" on page 13

- 5 Click **View**, **Print**, **Text File** or **XLS File**.
-

Chapter 29 Employee Paychecks

Types of Employee Paycheck Reports

Check Register The Employee Check Register report shows check data for the selected check dates, including number of hours, hourly rates, income, deductions, net pay, and department/job distribution percentages and amounts. Company totals are shown at the bottom of the report, including 941 liability and the number of checks in the selected period.

Posting Summary The Posting Summary report shows check information in a summarized format and can be used to create manual journal entries in your accounting system. (You can also save the posting summary information as a text file that can be imported into an accounting program.)

The net for each check is shown, along with totals for wages, income, taxes, and deductions.

Ledger accounts are also shown with their associated amounts. If you have ledger accounts set up for department or job wages and taxes, then the ledger accounts and amounts for each department or job are shown. The total debits and credits are shown on the last two lines.

ACH Direct Deposit CheckMark Software allows you to utilize direct deposit for your employees through your financial institution. Payroll creates an ACH file that you can submit directly to your bank. For more information on setting up CheckMark Payroll for Direct Deposit, see “Using CheckMark Payroll for ACH Direct Deposit” on page 247.

The ACH Direct Deposit text file contains only checks created for employees who are set up as Direct Deposit employees on the Personal tab of the Employees window.

Web Direct Deposit You can export a file for use with National Payment Corporation’s Web Direct Deposit. For more information on Web Direct Deposit, see “Using CheckMark Payroll for Web Direct Deposit” on page 250.

The Web Direct Deposit text file contains only checks for employees who are set up as Direct Deposit employees on the Personal tab of the Employees window.

ACH NPC Direct Deposit You can export a file for use with National Payment Corporation’s Direct Deposit. For more information on ACH NPC Direct Deposit, see “Using CheckMark Payroll for ACH NPC Direct Deposit” on page 251.

The ACH NPC Direct Deposit text file contains only checks for employees who are set up as Direct Deposit employees on the Personal tab of the Employees window.

Employee Checks Report Options

Include Jobs in Post Summary

If you distribute wages or hours to MultiLedger Jobs, you should check this box before posting to MultiLedger. For more information on posting to MultiLedger, see “Chapter 26 Posting Payroll Information to MultiLedger” on page 163

Mark Posted Checks

If you post paychecks to one of the accounting packages listed in the Format menu, you can check this box so that each time you post paychecks, they will be marked with an “x.”

Use Employee

If using Web Direct Deposit and you would rather use an employee ID number instead of the Social Security number, you can mark this checkbox. You must also set up to use Employee ID # on National Payment Corporation’s Web Direct Deposit set up page. For more information on using Web Direct Deposit, see “Using CheckMark Payroll for Web Direct Deposit” on page 250.

Checks Reference #, Taxes Reference #, Checks Posting Date, Taxes Posting Date

These boxes are for posting information to Multiledger. For more information on using these boxes, see “Chapter 26 Posting Payroll Information to MultiLedger” on page 163

Posting File Formats

Quicken (QIF)

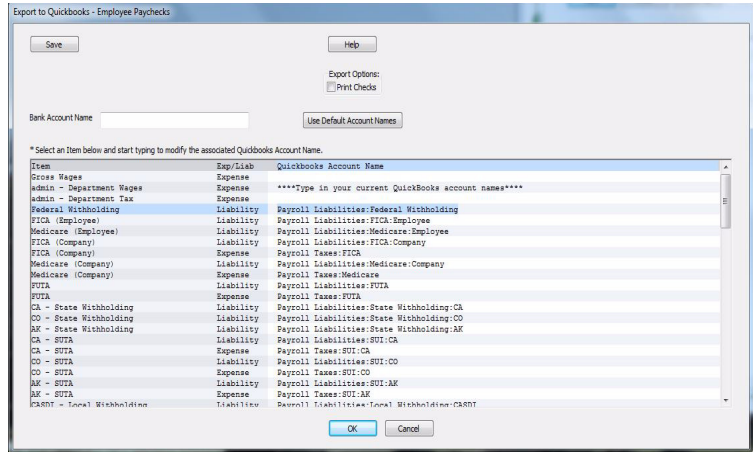
You can export posting information to Intuit’s Quicken. Select the Quicken (QIF) option and click **Text File**. Enter Bank Account Name and whether you want to print checks from Quicken. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

QuickBooks (IIF)

You can export posting information to Intuit’s QuickBooks program.

- 1 Select the QuickBooks Format option from the dropdown menu and click **Text File**.

A pop up screen opens with a list of *Expense and Liability* accounts. You can use the Default Account Names or if you want to post to your current QuickBooks accounts, you can change the QuickBooks Account Name. To change the name, click the account you want to change under the **QuickBooks Account Name** column and type in a new name.



- 2 Enter Bank Account Name and check the box if you want to print checks from QuickBooks.
- 3 Click **Save** once you have finished entering your data.
- 4 Click **Ok**. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

Moneyworks You can export posting information to Moneyworks. Select the Moneyworks format option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

Peachtree 3.0 (Windows only) You can export posting information to Peachtree Accounting for Windows, version 3.0. Select the Peachtree 3.0 Format option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

Peachtree 3.5, 5.0 (Windows only) You can export posting information to Peachtree Accounting for Windows, version 3.5 or 5.0. Select the Peachtree 3.5, 5.0 Format option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

Sage 50 / Peachtree You can export posting information to Sage 50. Select the Sage 50 format option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

M.Y.O.B. You can export posting information to Best!Ware's M.Y.O.B.™ Select the M.Y.O.B. Format option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

Big Business You can export posting information to Big Business. Select the Big Business Format option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

CheckMark You can post information to CheckMark's MultiLedger program. For more details about exporting to CheckMark's MultiLedger, see "Chapter 26 Posting Payroll Information to MultiLedger" on page 163.

Rakefet (Windows only) You can export posting information to Rakefet. Select the RAKEFET Format option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

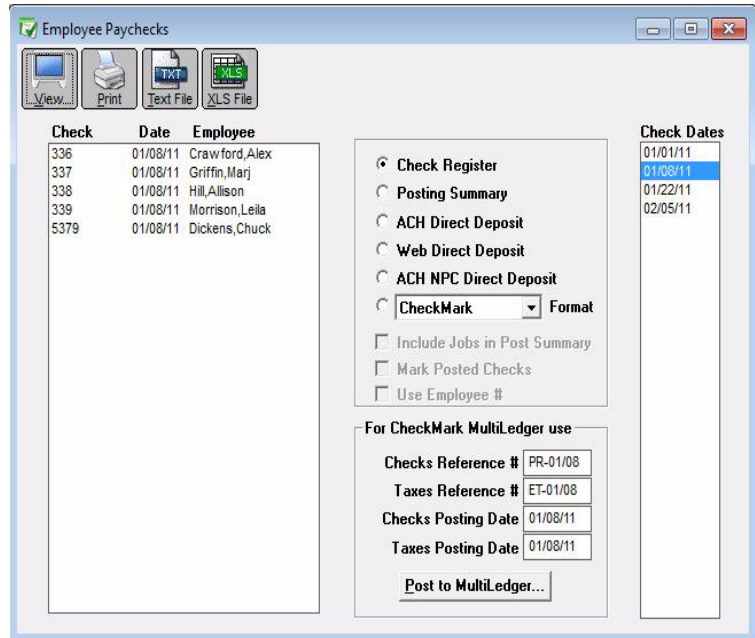
DBA Software (Windows only) You can export posting information to DBA Software. Select the DBA SOFTWARE Format option and click **Text File**. A Save As dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

POS/OE 4 You can export posting information to POS/OE 4. Select the POS/OE 4 Format option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

Connected You can export posting information to Connected accounting. Select the Connected Format option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

Creating Employee Paycheck Reports

- 1 Click **Employee Paychecks** in the **Command Center**.



- 2 Select one or more consecutive check dates for the report.

You can select a consecutive or non-consecutive series of checks from the list.

If no checks are highlighted, all employee checks will be reported.

- 3 Select the type of report.
- 4 Click **View**, **Print**, **Text File** or **XLS File**.

Chapter 30 Departments/Jobs

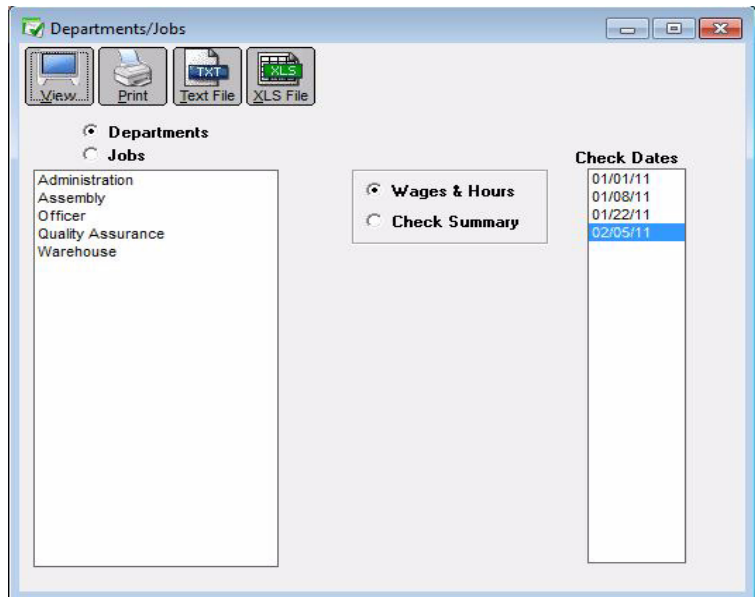
Types of Department Job Reports

Wages & Hours This report shows wages and number of hours for each department or job for each income category, including salary, all hour categories, and other income amounts. Totals for wages and hours for the selected report range appear after each department/job, and company totals appear at the end of the report.

Check Summary This report shows detail for each department's or job's expense for wages and employer taxes (employer portions of Social Security, Medicare, FUTA, and SUTA). Details include employee name, check date, check number, hours, wages and employer taxes. Totals for wage expense and employer tax expense for the selected report range appear after each department/job, and company totals appear at the end of the report

Creating Department/Job Reports

- 1 Click **Departments/Jobs** in the **Command Center**.



- 2 Select either the **Departments** or **Jobs** radio button.
If you selected Departments, proceed to step 3.
If you selected Jobs, an open dialog appears. Locate your MultiLedger company, then click **Open**. The Jobs from the MultiLedger company appear in the list.
- 3 Select the departments or jobs for the report.
You can select a consecutive or non-consecutive series of departments or jobs from the list.
If no departments or jobs names are highlighted, all departments or jobs will be reported.
- 4 Select one or more consecutive check dates for the report.
- 5 Select the type of report.
You can select either **Wages & Hours** or **Check Summary** for the report.
- 6 Click **View**, **Print**, **Text File** or **XLS File**.

Chapter 31 Federal Taxes

You can print forms 941, 943 and 944 from the Federal Taxes window along with a Tax Summary report.

Note The latest version of Adobe Acrobat Reader must be installed and set as the default .pdf application on your system to print forms 941, 943 and 944 from CheckMark Payroll.

Setting an Application as the Default Program

Mac OS X Users: You set the default in the Get Info screen on any .pdf file you have on your computer. Select any .pdf file and then go under the File menu to Get Info. Under the Open With section, select the Adobe Reader program and then select the box that will have wording similar to ‘use the application to open all documents like this’. The wording may vary depending on which version of OS X you are using.

You may also have to set the actual files to open with Adobe Reader. CheckMark Payroll creates .pdf and .fdf files when printing forms such as 940, 941, 943 and 944. These files are generated in the folder where you save your data files. Select these files and assign Adobe Reader as the default program to open correctly. Refer to your operating system’s owner’s manual for more detail about setting defaults.

Windows XP: CheckMark Payroll creates .pdf and .fdf files when printing forms such as 940, 941, 943 and 944. These files are generated in the folder where you save your data files. Browse to the folder where you save your data files. Right-click on f941.pdf (or the .fdf file) and select the Open With option. If necessary, Browse and select the Adobe Reader program on your computers hard drive. Select the check box to ‘always use selected program to open this kind of file’ (exact wording may vary depending on your Windows version) then click OK. Refer to your operating system’s owner’s manual for more information.

Windows Vista or Windows 7: Open the Control Panel and/or select Default Programs. Choose Associate file type or protocol with a program. Scroll down to .fdf in the list. If necessary, select, choose program and browse for Adobe Reader. Repeat steps for .pdf file extension. Close. Refer to your operating system’s owner’s manual for more information.

Types of Federal Tax Reports

Tax Summary

The Tax Summary report shows tax information, including employee names, total wages and tips, federal withholding, Advance EIC, Social Security wages, Social Security tips, and Medicare wages and tips for the selected quarter or current payroll year. You can use this tax data for filling out the Federal 941 form or use the annual report for filing form 943 or 944.

Each type of withholding is summarized and the total taxes due are shown after the employee list. An amount shown for Adjustment for Fractions will print on line 7a of the 941 (6a on Form 944) report in the Fractions of Cents field. An amount on the Adjustment for Fractions line is usually due to Social Security and Medicare rounding and is typically less than one dollar. If the amount is larger, a warning will come up and you should research the cause. For more information, see “What can cause an amount to appear on the “Adjustment for Fractions” line?” on page 192.

The second half of the report is the Employer’s Record of Federal Tax Liability. This section shows tax liability information based on actual payroll checks that have been created for the quarter only. If you view the annual Tax Summary report, this part of the report gives monthly liabilities.

State Withholding amounts, as well as the number of employees for each month of the quarter are shown at the bottom of each quarterly tax summary report.

No. of Employees	8	0	0
State withholding			
CO	879.00	0.00	0.00
CA	45.14	0.00	0.00

Form 941 Choose this option to print the 941 on plain paper.

Form 944 Choose this option to print the 944 on plain paper.

Creating 941 Reports

The Federal Taxes window prints the Form 941, Employer's Quarterly Federal Tax Return form and gives you information that's useful for filling out the form manually.

- 1 Click **Federal Taxes** under **Reports** in the **Command Center**.

The screenshot shows the 'Federal Taxes' window with the following fields and options:

- Report:** Radio buttons for Tax Summary, **Form 941** (selected), Form 943, and Form 944.
- Period:** Radio buttons for **1st Quarter** (selected), 2nd Quarter, 3rd Quarter, 4th Quarter, and Annual.
- State Abbreviation or MU if deposits made in multiple states:** A dropdown menu with 'MU' selected.
- Third-party designee:**
 - Allow third party designee to discuss return with IRS
 - Designee name: [Text Field]
 - Designee phone #: [Text Field] PIN [Text Field]
- For paid preparers only (optional):**
 - Firm name (or yours, if self-employed): [Text Field]
 - Preparer Name: [Text Field]
 - Address: [Text Field]
 - City: [Text Field] State: [Text Field]
 - Zip: [Text Field] Phone: [Text Field]
 - Self-employed EIN: [Text Field] SSN/PTIN: [Text Field]

- 2 Enter the 2 letter state postal code where you make your deposits or MU if you make deposits in multiple states.
- 3 If necessary, enter information for **Third-party designee** and/or **For paid preparers only (optional)**.
- 4 Select the quarter for which you are reporting.
- 5 Select the **Form 941** Report Option.
- 6 Click **Print**. A pop up window appears.

941

1: Number of employees on the 12th (3rd month) 6

6a: Number of qualified employees first paid exempt wages/tips this quarter

7b: Current quarter's sick pay

7c: Adjustment for tips and group-term life insurance

11: Total deposits for quarter, including overpayment 23821.48

12a: COBRA Premium Assistance Payments

12b: Number of individuals

4: Wages not subject to social security tax

15: Semiweekly schedule depositor

Overpayment

Apply to next return

Send a refund

Cancel OK

Note Be sure to change the amount in the Line 11 Total Deposits field, if different than the program calculation.

If you change the Total Deposit to a number \$0.40 higher or lower than the program calculation, the difference will show in fractions of cents (line 7a 941, or 6a 944). If the difference is more than \$0.40, it will show as either a balance due (line 12) or an overpayment (line 13).

- 7 Fill in all appropriate fields. When finished, click **OK**. The filled in Form will open in Acrobat Reader. If necessary, modify/edit any field in Acrobat Reader, save the file if you wish, and/or print out pages from Acrobat Reader.

Changes made to Form 941 in the Adobe Reader program are not reflected in Payroll.

Creating 943 Reports

The Federal Taxes window prints the Form 943, Employer's Annual Federal Tax Return for Agricultural Employees and gives you information that's useful for filling out the form manually.

- 1 Click **Federal Taxes** under **Reports** in the **Command Center**.

The screenshot shows the 'Federal Taxes' window with the following elements:

- Buttons:** View, Print, Text File, XLS File.
- Report Selection:**
 - Tax Summary
 - Form 941
 - Form 943
 - Form 944
- Period Selection:**
 - 1st Quarter
 - 2nd Quarter
 - 3rd Quarter
 - 4th Quarter
 - Annual
- State Abbreviation or MU if deposits made in multiple states:** MU
- Third-party designee:**
 - Allow third party designee to discuss return with IRS
 - Designee name:
 - Designee phone #: PIN:
- For paid preparers only (optional):**
 - Firm name (or yours, if self-employed):
 - Preparer Name:
 - Address:
 - City: State:
 - Zip: Phone:
 - Self-employed EIN: SSN/PTIN:

- 2 If necessary, enter information for **Third-party designee** and/or **For paid preparers only (optional)**.
- 3 Select the **Form 943** Report Option.
- 4 Click **Print**. A pop up window appears.

943

1: Number of agricultural employees employed in the pay period that includes March 12, 2010

8. Current Year's Adjustments

Sick Pay

Adjustments for tips and group-term life insurance

NOTE: The total on line 8 will include 'Fractions of Cents' which we compute for you

12: Total deposits, including overpayment applied from a prior year and overpayment applied from Form 943-A

13a: COBRA premium assistance payments

13b: Number of people who received COBRA assistance payments reported on line 13a

Semiweekly schedule depositor (Print 943-A)

Overpayment

Apply to next return

Send a refund

OK Cancel

- 5 Fill in or change all appropriate fields if needed.
- 6 Click **Ok**.

The filled in Form will open in Acrobat Reader. If necessary, modify/edit any field in Acrobat Reader, save the file if you wish, and/or print out pages from Acrobat Reader.

Changes made in Adobe Reader are not reflected in Payroll.

Creating 944 Reports

The Federal Taxes window prints the Form 944, Employer's Annual Federal Tax Return and gives you information that's useful for filling out the form manually.

- 1 Click **Federal Taxes** under **Reports** in the **Command Center**.

The screenshot shows the 'Federal Taxes' window with the following configuration options:

- Report:** Radio buttons for Tax Summary, Form 941, Form 943, and **Form 944** (selected).
- Period:** Radio buttons for 1st Quarter, 2nd Quarter, 3rd Quarter, 4th Quarter, and **Annual** (selected).
- State Abbreviation or MU if deposits made in multiple states:** A dropdown menu with 'MU' selected.
- Third-party designee:** A checkbox for 'Allow third party designee to discuss return with IRS' (unchecked). Below are input fields for 'Designee name', 'Designee phone #' (with a 'PIN' label), and a separate 'PIN' field.
- For paid preparers only (optional):** Input fields for 'Firm name (or yours, if self-employed)', 'Preparer Name', 'Address', 'City', 'State', 'Zip', and 'Phone'. A checkbox for 'Self-employed' is also present, with 'EIN' and 'SSN/PTIN' input fields below it.

- 2 Enter the two letter state postal code where you make your deposits or MU if you make deposits in multiple states.
- 3 If necessary, enter information for **Third-party designee** and/or **For paid preparers only (optional)**.
- 4 Select the **Form 944** Report Option.
- 5 Click **Print**. A popup window appears.

The screenshot shows a popup window titled '944' with the following fields:

- 10: Total deposits for year, including overpayment from prior year: [input field]
- 11a: COBRA Premium Assistance Payments: [input field]
- 11b: Number of individuals: [input field]

At the bottom of the window are 'OK' and 'Cancel' buttons.

If applicable, enter amounts into the fields corresponding to:

- **10.** Total deposits for the year, including overpayment from prior year
- **11a.** COBRA Premium Assistance Payments
- **11b.** Number of Individuals

6 Click Ok.

The filled in Form will open in Acrobat Reader. If necessary, modify/edit any field in Acrobat Reader, save the file if you wish, and/or print out pages from Acrobat Reader.

Changes made in Adobe Reader are not reflected in Payroll.

What can cause an amount to appear on the “Adjustment for Fractions” line?

Any amount on the Adjustment for Fractions line on the Tax Summary report will be printed on Line 7a of the 941 on the Fractions of Cents field or 6a, Current Year’s Adjustments, of the 944. If the amount is under one dollar, the difference is probably due to rounding and is nothing to be concerned about. If the amount is large, however, you should research the discrepancy. Amounts of more than one dollar can be caused by the following:

- After checks have been created, a deduction or income category defined as exempt has been re-defined as non-exempt. Or a deduction or income item defined as non-exempt has been re-defined as exempt.
 - Social Security or Medicare amounts have been manually adjusted on the Calculate Pay window to override the calculated amounts. These amounts are exact calculations and should not be manually adjusted.
 - An employee who was marked as Exempt from Social Security and/or Medicare was changed to Non-exempt. Or an employee who was set up as Non-exempt from Social Security and/or Medicare was changed to Exempt.
 - If you change the Total Deposit to a number \$0.40 higher or lower than the program calculation, the difference will show in fractions of cents (line 7a 941). If the difference is more than \$0.40, it will show as either a balance due (line 12) or an overpayment (line 13).
-

Reporting of Third-Party Sick Pay

Since no checks have been calculated and created in the CheckMark Payroll program for employees receiving third-party sick pay, their wages are not included in reports such as the Form 941, Form 944 and W-2/W-3 statements. Information regarding sick pay and federal reporting also applies to state reports. *For more information about how your state requires reporting of third-party sick pay, see your state instructions or contact your state for more information.*

The information included here is for employers where the liability has been transferred to the employer and no optional rules for W-2 have been implemented. For more details about reporting sick pay with special rules, see IRS Publication 15A.

Form 940 Annual Report

Include all wages paid to each employee, including third-party sick pay paid to any employee during the year on your annual Form 940 up to the maximum wages. Wages entered in the Employee window YTD tab are included when calculating Form 940 annual report. These wages will not show on the quarterly breakdown report unless you modify YTD totals for each employee prior to printing the report for 940 deposits.

Form 941 Quarterly report or Form 944 Annual report

Third-party sick pay must be reported on the Form 941 quarterly report (Form 944 annual report) of wages. You will need to report both the employer and the employee parts for both Social Security tax (up to the maximum wages) and Medicare tax for sick pay on lines 5a and 5c of the Form 941 (lines 4a and 4c of Form 944). On line 7b of the Form 941 (line 6a of Form 944) you will need to show a negative adjustment for the employee portion of the Social Security and Medicare taxes withheld from sick pay by the third-party payer. You will also need to report federal withholding wages on line 2. There is more information in Publication 15, Publication 15A or 941 instructions at www.irs.gov.

Steps for Form 941 (Form 944) reporting in Payroll

- 1 Open **Federal Taxes** on the **Command Center**.
- 2 Select **Form 941** or **Form 944** and applicable quarter or annual.
- 3 If necessary, fill in *Third-Party Designee* information and/or *Paid Preparer* information and state abbreviation.
- 4 Select **Print**, a setup screen opens. Enter Social Security and Medicare amount withheld by third-party as a negative number in edit box 7b. (See Publication 15A at www.irs.gov for more information about reporting Third-Party Sick Pay) Adjust amount of deposits on line 11 for the quarter if you have already deposited the employer amount of the Social Security and Medicare taxes. Click **OK**. The form opens in the Adobe Reader program.
- 5 Modify line 2, federal withholding wages to include sick pay.
- 6 DO NOT modify line 3 to include federal withholding withheld by third-party on sick pay wages. This will be reconciled later on the W-3 statement.
- 7 Modify lines 5a and 5c (on Form 944, lines 4a and 4c) to include sick pay wages paid by third-party payer. Include sick pay wages on line 5a (4a on Form 944) up to the Social Security maximum taxable wages for the year.

Note Modifications made in the Adobe Reader fill-in form will not automatically carry through the form. Adjust calculations through the end of all pages of the form. If necessary, you will also need to adjust deposits recorded on page 2 of Form 941 (also Form 944) if you are a monthly depositor for employer portions of Social Security and Medicare taxes that were reported to you by the third-party payer.

- 8 If you are a semi-weekly depositor, you will need to make adjustments for any deposits made on the Schedule B.

Note Calculations made in the Adobe Reader program do not automatically calculate through the form. Be sure to make any necessary adjustments to calculations throughout all pages.

Chapter 32 940 FUTA Tax

CheckMark Payroll can produce form 940 as well as a wage summary and quarterly liability report.

Note A newer version of Adobe Acrobat Reader must be installed and set as the default .pdf application on your system to print form 940 from CheckMark Payroll.

Setting an Application as the Default Program

Mac OS X Users: You set the default in the Get Info screen on any .pdf file you have on your computer. Select any .pdf file and then go under the File menu to Get Info. Under the Open With section, select the Adobe Reader program and then select the box that will have wording similar to ‘use the application to open all documents like this’. The wording may vary depending on which version of OS X you are using.

You may also have to set the actual files to open with Adobe Reader. CheckMark Payroll creates .pdf and .fdf files when printing forms such as 940, 941, and 944. These files are generated in the folder where you save your data files. Select these files and assign Adobe Reader as the default program to open correctly. Refer to your operating system’s owner’s manual for more detail about setting defaults.

Windows XP: CheckMark Payroll creates .pdf and .fdf files when printing forms such as 940, 941, and 944. These files are generated in the folder where you save your data files. Browse to the folder where you save your data files. Right-click on f941.pdf (or the .fdf file) and select the Open With option. If necessary, Browse and select the Adobe Reader program on your computers hard drive. Select the check box to ‘always use selected program to open this kind of file’ (exact wording may vary depending on your Windows version) then click OK. Refer to your operating system’s owner’s manual for more information.

Windows Vista or Windows 7: Open the Control Panel and select Default Programs. Choose Associate file type or protocol with a program. Scroll down to .fdf in the list. If necessary, select, choose program and browse for Adobe Reader. Repeat steps for .pdf file extension. Close. Refer to your operating system’s owner’s manual for more information.

Types of 940 FUTA Tax Reports

- Wage Summary** This report shows the total annual wages, wages exempt from FUTA, wages over the annual limit, and total taxable wages by employee.
- Quarterly Liability** This report shows total taxable wages per quarter by employee. In addition, this report shows total FUTA liability per quarter.
- Form 940** Choose this option to print the Form 940 on plain paper.

Creating 940 Reports

The 940 FUTA Taxes window prints the Form 940, Employers Annual Federal Unemployment (FUTA) Tax Return and gives you information that is useful for filling out the return manually.

- 1 Click **940 FUTA Tax** in the **Command Center**.

- 2 Select **Form 940** Report Option.
- 3 Fill in necessary information in the 940 FUTA Tax Window as appropriate for your report. For more information see “Fields on the 940” on page 197.
- 4 Click **Print**. The filled in form will open in Acrobat Reader. If necessary, modify/edit any field in Acrobat Reader, save the file if you wish, and/or print out pages from Acrobat Reader.

Changes made in Adobe Reader are not reflected in Payroll.

Fields on the 940

- 1a** Mark this box if you pay unemployment tax (SUTA) in only 1 state. Also, fill in the two (2) letter postal abbreviation in the box to indicate which state you pay the unemployment taxes in.

If box 1a is not selected, CheckMark Payroll will automatically mark box 1b on Form 940 indicating that you pay unemployment taxes to more than one (1) state. You are then required to fill in Part 1 Schedule A (940) and submit with your Form 940. Schedule A (940) is not printable from CheckMark Payroll directly so you will need to download from irs.gov (press link above), or fill in this form that was sent to you by the IRS in the mail.

- 2** If you have paid unemployment in a credit reduction state, you will need to select the checkbox here. If you select this check box, you will need to fill in Schedule A (940) and fill in Part 2. Additionally, the amount from line 3 of Schedule A (940) Part 2 will need to be entered for line 11 on this screen.

The US Dept of Labor determines credit reduction states. These are states that have not repaid the federal government for unemployment benefits paid. If your state is a credit reduction state, you will need to pay additional FUTA tax when filing your Form 940.

- 9** Check this box if all FUTA wages were exempt from state unemployment (SUTA).

If line 9 is selected, lines 10 and 11 do NOT apply.

- 10** Enter the amount to print on Line 10 if some of the FUTA wages you paid were excluded from state unemployment or if you paid any state unemployment tax (SUTA) late. This amount is from line 7 of the worksheet included in the Form 940 instructions.

- 11** Enter an amount to print on Line 11 if a credit reduction applies. This amount is from Schedule A, Part II, line 3.

- 13** Enter an amount to print on Line 13 for your FUTA tax deposited for the year.

**Part 6-Third-party
Designee**

Enter information that will print in the appropriate section on the 940 if you use a third-party designee.

**Part 8: For paid
preparers only
(optional)**

Enter information here that will print in the appropriate section on the 940 if you are a paid preparer.

If line 12 is greater than \$500, CheckMark Payroll will automatically fill in Part 5 lines 16-17 on Form 940.

Part 7, date will be filled in by CheckMark Payroll based on the system date of your computer.

**FUTA Exempt
Payments**

Check all boxes that apply to print on Line 4 (4a-4e).

Overpayment

If there is an overpayment on Line 15, select whether it is to Apply to next return or Send a refund.

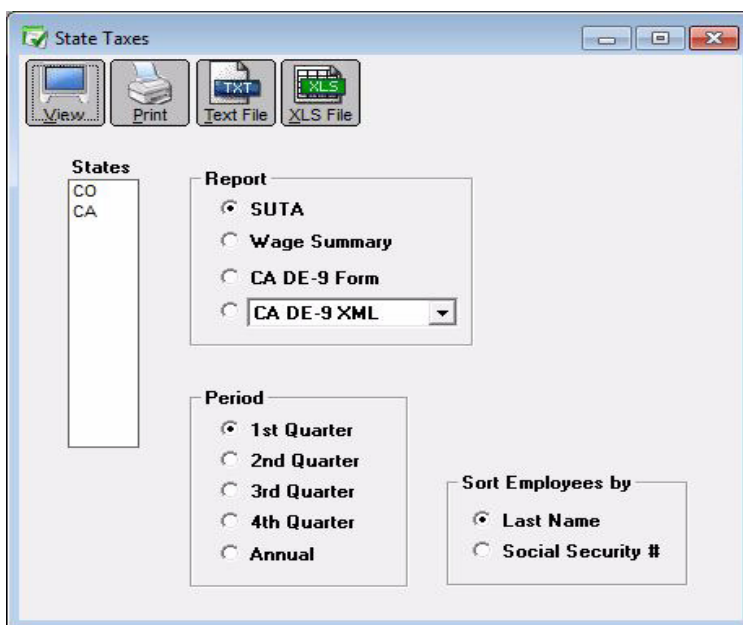
Chapter 33 State Taxes

The State Taxes window allows you to produce a SUTA report, wage summary, California DE-6 Form and the MMREF file for NY and CA DE-6.

Creating SUTA Taxes Reports

The SUTA report shows wages exempt from SUTA (state unemployment), wages subject to SUTA, wages in excess of the SUTA maximum, and SUTA taxable wages. It also shows your SUTA rate, SUTA tax amount, number of employees per month and number of employees in the pay period including the 12th of the month for each month of the quarter.

- 1 Click **State Taxes** in the **Command Center**.



- 2 Select one or more states for the SUTA report.

You can select a consecutive or non-consecutive series of states from the list.

If no states are highlighted, all states will be reported.

- 3 Make sure that the **SUTA** radio button is selected.
- 4 Select the quarter for which you are reporting, or select Annual.

- 5 Select the **Sort Employees by** option.

If Last Name is selected, the report will be organized by employees' last name.

If Social Security # is selected, the report will be organized by employees' Social Security Number.

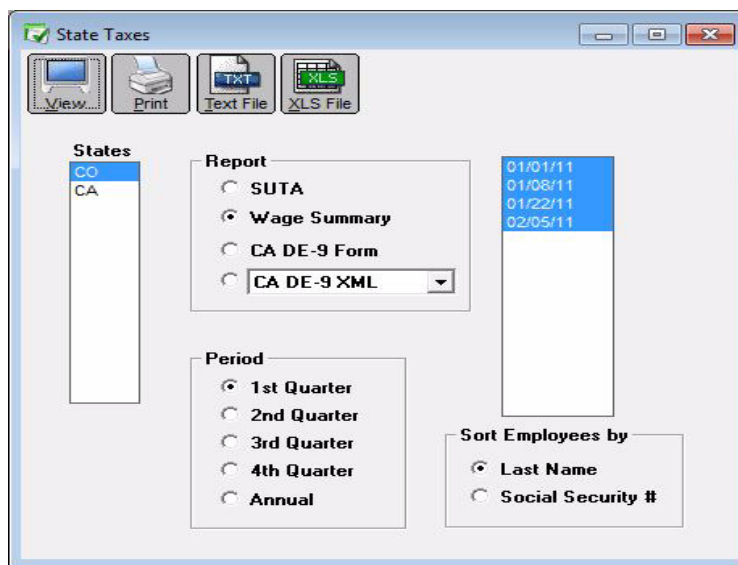
- 6 Click **View**, **Print**, or **Text File**.

Note You can omit social security number for employees on all reports by selecting **Omit SS# on Reports** in the **Preferences** option located under the **File** menu. For information on setting preferences see "Chapter 39 Setting Preferences" on page 231

Creating State Withholding Reports

The Wage Summary report shows the employee's Social Security number, employee name, total wages, wages subject to state withholding, and state withholding by employee for the selected quarter, with a subtotal after each state.

- 1 Click **State Taxes** in the **Command Center**.



- 2 Select one or more states for the **Wage Summary** report.

You can select a consecutive or non-consecutive series of states from the list.

If no states are highlighted, all states will be reported.

- 3 Select the **Wage Summary** radio button.
- 4 Select the quarter for which you are reporting, or select Annual. A list of check dates appears for the selected quarter. Check dates in the quarter are selected by default. If wage reporting for less than the full quarter is required, select the desired range of check dates.
- 5 Select the **Sort Employees By** option.
 - If Last Name is selected, the report will be organized by employees' last name.
 - If Social Security # is selected, the report will be organized by employees' Social Security Number.
- 6 Click **View**, **Print**, or **Text File**.

Note You can omit the Social Security number from these reports by choosing **Omit SS# on Reports** in the **Preferences** section under the **File** menu.

Creating California DE-9 Form for Printing

You can print a DE 9 form for filing with the EDD directly from CheckMark Payroll.

To print the DE-9 Form, do the following:

- 1 Click **State Taxes** in the **Command Center**.
- 2 Select the **CA DE-9 Form** option and select the desired Period option.
- 3 Select **CA** in the **States** list.
- 4 Click **Print**. A popup window appears.

DE9

SDI Taxable wages for the quarter: 0.00

Contributions and Withholding paid for the quarter: 0.00

No Wages This Quarter Out of Business / No Employees

No ETT Out of Business Date [YYYY-MM-DD]

Additional FEIN 1 Additional FEIN 2

Title Phone ()

OK Cancel

- 5 Fill in all appropriate fields and click **OK**.
-

Note Even if the **Preference to Omit SS# on Reports** is selected under the **File** menu, the Social Security number for each employee will still appear when printing this report.

Creating California DE-9 XML File

Employers who are set up with California's EDD to file their Quarterly Wage and Withholding Reports electronically, can save a file from CheckMark Payroll to submit to the EDD in the DE-9 XML format. For more information on submitting the DE-9 XML information electronically, contact the EDD.

To save the report as an XML file, do the following:

- 1 Click **State Taxes** in the **Command Center**.
- 2 Select the **CA DE-9 XML** option and the desired Period.
- 3 Select **CA** in the **States** list.
- 4 Click **Text File**. The following dialog appears:

DE9

SDI Taxable wages for the quarter: 0.00

Contributions and Withholding paid for the quarter: 0.00

No Wages This Quarter Out of Business / No Employees

No ETT Out of Business Date (YYYY-MM-DD):

Additional FEIN 1: Additional FEIN 2:

Title: Phone ([]):

OK Cancel

- 5 Fill in all appropriate fields and click **OK**.
- 6 A **Save As** dialog box opens. Chose a save location and click **Save**.

Creating California DE-9C MMREF File

Employers who are set up with California's EDD to file their Quarterly Wage and Withholding Reports electronically, can save a file from CheckMark Payroll to submit to the EDD in the DE-9C MMREF format. For more information on submitting the DE-9C MMREF information electronically, contact the EDD.

To save the report as an MMREF file, do the following:

- 1 Click **State Taxes** in the **Command Center**.
- 2 Select the **CA DE-9C MMREF** option and the Period.
- 3 Select **CA** in the **States** list.
- 4 Click **Text File**.

The following dialog appears:

The screenshot shows a dialog box titled "EFW2" with a close button in the top right corner. The dialog contains the following elements:

- Two checkboxes: Resubmit and Terminating Business.
- Four radio buttons: 941 Payer, 943, 944, and Schedule H.
- Text input fields for: User ID, Contact, Phone, Fax (no hyphens), Email, W/FID, and CA Wage Plan Code.
- A section titled "Submitter if other than company:" containing:
 - Text input fields for Submitter EIN, Submitter Company, Submitter Address, City, State, and Zip.
 - A "Notify By:" dropdown menu currently set to "Email".
 - A "Preparer Code" dropdown menu currently set to "0: Other".
- Two buttons at the bottom: "Cancel" and "OK".

- 5 Fill in all appropriate fields and click **OK**.
- 6 A **Save As** dialog box opens. Chose a save location and click **Save**.

Creating New York MMREF File

CheckMark Payroll can create the New Work MMREF file. New York requires submission of the test file with notification that the test was certified and successfully processed. Contact the New York State Department of Tax and Finance for complete filing instruction. Additional information is included in NY Publication 911 available www.tax.state.ny.us.

- 1 Click **State Taxes** in the **Command Center**.
- 2 Select the **NY MMREF** option in the drop down menu under the **Report** section.
- 3 Select **NY** in the **States** list and choose what **Quarter** you want to save from the **Period** section (annual option not available).
- 4 Click the **Text File** button and choose the location where you want to save the file. The file is named MMREF by default.

Note Even if the **Preference to Omit SS# on Reports** is selected under the **File** menu, the Social Security number for each employee will still appear when printing this report.

- 5 Enter the appropriate information for your company in the edit boxes, then click **OK**.

If you are filing the MMREF file on behalf of another company, you can enter your own information in Submitter fields. Otherwise, CheckMark Payroll will use the Federal ID, Company, and Address information from the Company Information window.

A Save dialog appears. The file is named MMREF by default.

- 6 Choose where you want to save it.
- 7 Contact the EDD for complete instructions on filing.

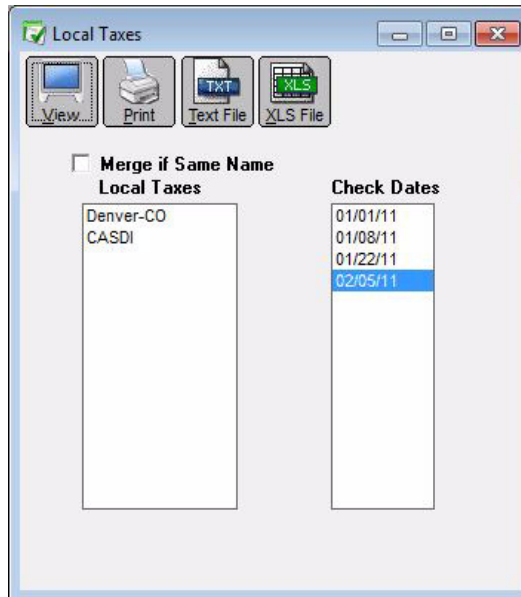
Note Even if the **Preference to Omit SS# on Reports** is selected under the **File** menu, the Social Security number will still be included in the MMREF file.

Chapter 34 Local Taxes

Creating Local Taxes Reports

This report shows the employee social security number, employee name, wages exempt from local taxes, total wages, wages subject to local tax and amount of the local tax withheld. There are totals by local tax at the bottom of the report.

- 1 Click **Local Taxes** in the **Command Center**.



- 2 Select one or more local taxes for the report.

You can select a consecutive or non-consecutive series of local taxes from the list.

If no local taxes are highlighted, all taxes will be reported.

- 3 Select one or more check dates for the report.

You can select a consecutive series of check dates from the list.

- 4 Click **View**, **Print**, or **Text File**.

Note You can omit the Social Security number from these reports by choosing **Omit SS# on Reports** in the **Preferences** section under the **File** menu.

Chapter 35 Income and Deductions

Types of Income and Deduction Reports

Deduction Detail The **Deduction Detail** reports shows the deduction name, employee SSN, employee name, employee deduction amount and employer match amount for individual checks, along with the total for each deduction.

Income Detail The **Income Detail** report shows income name, employee social security number, employee name, check number, check date and total amount of income.

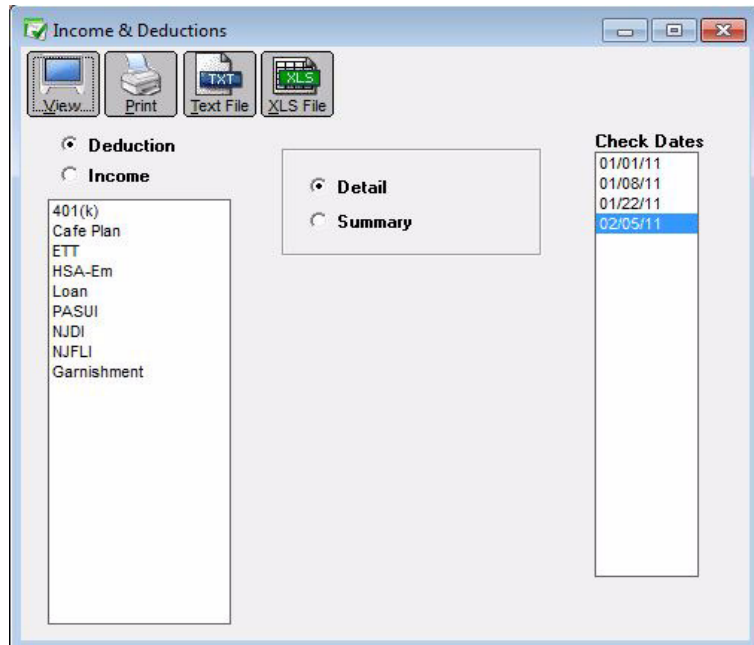
Deduction Summary The **Deduction Summary** report shows the deduction name, employee SSN, employee name, deduction amount, match and total for the selected period.

Income Summary The **Income Summary** report shows the income name, employee social security number, employee name, income amount for selected period and total for the selected period.

Note To suppress the Social Security number from the report, go to the **File** menu and select **Preferences**. Choose the **Omit SS# on Reports** option.

Creating Income and Deduction Reports

- 1 Click **Income & Deductions** in the **Command Center**.
- 2 Select either the **Deduction** or **Income** radio button.



- 3 Select one or more items for the report.
You can select a consecutive or non-consecutive series of Incomes or Deductions from the list.
If no categories are highlighted, all categories will be reported.
 - 4 Select either the **Detail** or **Summary** radio button.
 - 5 Select one or more consecutive check dates for the report.
 - 6 Click **View**, **Print**, or **Text File**.
-

Chapter 36 Employer Payments

Types Employer Payments Reports

Check Register The Check Register report shows check data for the selected month, including check number, check date, payee, payment description, and the check amount.

Posting Summary The Posting Summary report shows check information in a summarized format and can be used to create manual journal entries in your accounting system. (You can also save the posting summary information as a text file that can be imported into an accounting program.)

Ledger accounts are shown with their associated amounts.

The total debits and credits are shown on the last two lines.

Posting File Formats

Quicken (QIF) You can export posting information to Intuit's Quicken. Select the **Quicken (QIF)** option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

For Quicken 2005 for Windows and higher users: CheckMark Payroll creates a QIF file for importing into Quicken. Quicken will no longer accept QIF importing directly into a bank/checking account; it will only accept Open Financial Exchange (OFX) file formats used for downloading information directly from the internet. This file format is not available in CheckMark Payroll.

QuickBooks (IIF) You can export posting information to Intuit's QuickBooks. Select the **QuickBooks (IIF) Format** option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

CheckMark Payroll creates an Informational Interchange Format (IIF) file for importing checks into QuickBooks. The posting file format includes account names and account types to post all payroll information into the general ledger. The accounts named in the file are based on the set up of your payroll company in CheckMark Payroll. If these accounts DO NOT exist in your QuickBooks chart of accounts list, QuickBooks by default, will create the accounts upon import. Inserting ledger accounts into the Payroll program will not override the accounts created in the IIF file. We suggest that before importing payroll the first time you make a backup of your QuickBooks data. After successfully importing payroll into QuickBooks, carefully look through the transaction(s) imported and also evaluate the changes, if any, to your chart of accounts. If you do not wish these changes to occur, restore your QuickBooks backup and manually post your payroll data to QuickBooks.

Peachtree 2.0 (Windows only) You can export posting information to Peachtree Accounting for Windows, version 2.0. Select the **Peachtree 2.0 Format** option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

Peachtree 3.0 (Windows only) You can export posting information to Peachtree Accounting for Windows, version 3.0. Select the **Peachtree 3.0 Format** option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

Peachtree 3.5, 5.0 (Windows only) You can export posting information to Peachtree Accounting for Windows, version 3.5 and 5.0. Select the **Peachtree 3.5, 5.0 Format** option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

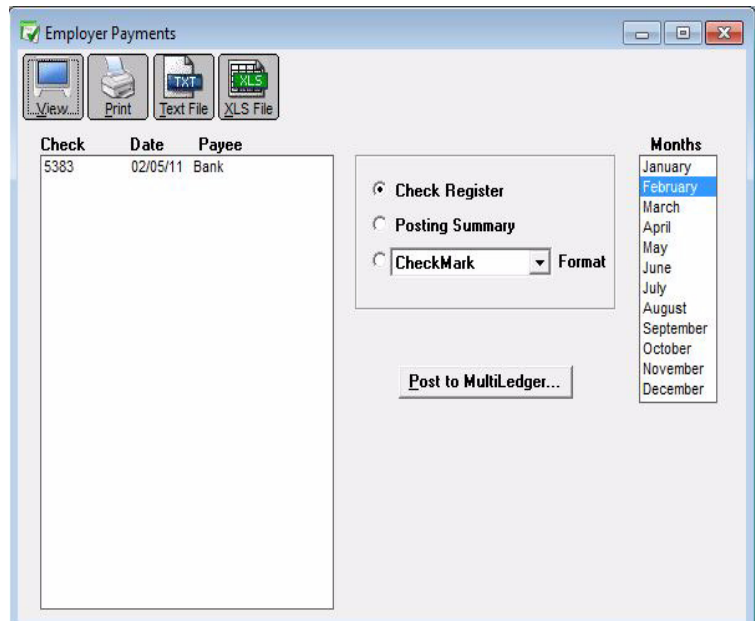
M.Y.O.B. You can export posting information to Bestware's M.Y.O.B.™ Select the **M.Y.O.B. Format** option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

Big Business You can export posting information to Big Business. Select the **Big Business Format** option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

- CheckMark** You can post information to CheckMark’s MultiLedger. For more information on posting to MultiLedger see “Posting Employer Checks to MultiLedger” on page 166
- Rakefet** (Windows only) You can export posting information to Rakefet. Select the RAKEFET Format option and click **Text File**. A Save As dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.
- DBA Software** (Windows only) You can export posting information to DBA Software. Select the DBA SOFTWARE Format option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.
- POS/OE 4** You can export posting information to POS/OE 4. Select the POS/OE 4 Format option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.
- Connected** You can export posting information to Connected accounting. Select the Connected Format option and click **Text File**. A Save dialog appears. Enter a name for the text file and choose a directory in which to save it. Then, click **Save**.

Creating Employer Payments Reports

- 1 Click **Employer Payments** in the **Command Center**.



2 Select the month(s) for the report.

3 Select the checks for the report.

You can select a consecutive or non-consecutive series of checks from the list.

If no checks are highlighted, all employer checks will be reported.

4 Select the type of report.

5 Click **View**, **Print**, or **Text File**.

Chapter 37 W-2 & W-3 Statements

Types of W-2/W-3 Reports

W-2 on Blank Paper Select from this drop-down list, according to the following guidelines:

4-up Employee All Copies- This is for printing employee Copies B, C, and 2 on 4-up blank, perforated paper.

2-up Employer Copy A- This is for printing employer Copy A on 2 plain paper.

2-up Employer Copy 1- This is for printing employer Copy 1 on 2-up blank, perforated paper.

2-up Employer Copy D- This is for printing employer Copy D on 2-up blank, perforated paper.

2-up Employee Copy B- This is for printing employee Copy B on 2-up blank, perforated paper.

2-up Employee Copy C- This is for printing employee Copy C on 2-up blank, perforated paper.

2-up Employee Copy 2- This is for printing employee Copy 2 on 2-up blank, perforated paper.

W-2 on Preprinted Forms

This is for printing employee and employer W-2s on preprinted W-2s.

W-3 on Plain Paper

Select this option for printing on a W-3 form on plain paper (minimum 20 lb. weight).

W-3 on Preprinted Form

Select this option if you are printing on a preprinted W-3.

EFW2 File

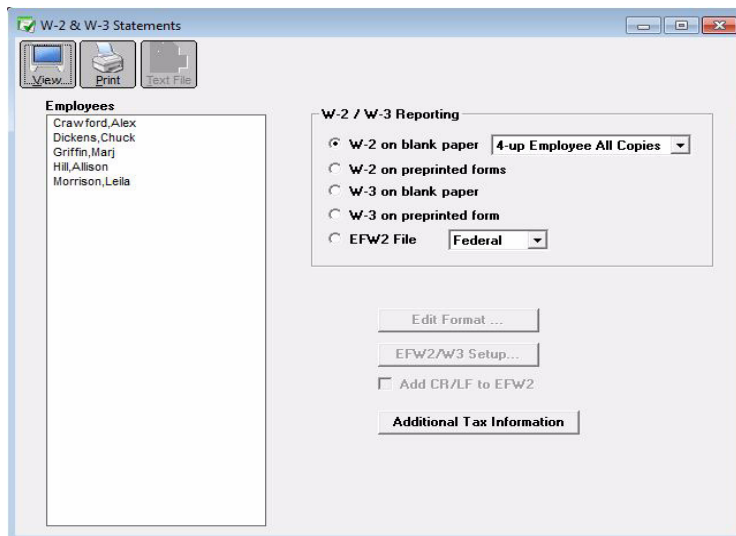
Select this option if you are required to file electronically with the Social Security Administration or your state.

Note

Not all states are supported using the EFW2 method.

Creating W-2 and W-3 Reports

The W2 & W3 Statements window allows you to print W-2 and W-3 information on blank perforated sheets or pre-printed forms. You can also save your W-2/W-3 information in the EFW2 file format for electronic filing.



Withholding for Two States

CheckMark Payroll will print State wages and State withholding for up to two states as long as you have not started mid-year or edited YTD totals on Employee Setup. If an employee has income in two states, at least one state needs to have at least \$0.01 withheld for the program to recognize both states. If you have withheld for more than two states, you need to prepare multiple W-2s. This can be accomplished by setting up a new employee for each state requiring wages and withholding.

Verify Company Information

Before printing W-2s, you should verify your company name, address and Federal ID are correctly entered on the **Company Information** window. Your **State ID** can be verified by selecting **State Taxes** under the **Setup** menu. Select each state table from the **State Taxes** section and verify the **State ID**.

Dependent Care Benefits - Box 10

If you have a dependent care assistance program (section 129 or section 125 cafeteria plan), the expenses paid or fair market value of those services should be shown in Box 10. Check the applicable box in Additional Income or Deduction setup.

Non-Qualified Plans - Box 11

This box shows distributions to an employee from a non-qualified plan, or deferrals under a non-qualified plan, that became taxable for social security or medicare taxes during the year, but were for services in a prior year. Check this box under the **Additional Income** set up screen. Also in the **Additional Income** set up, mark the check box if plan is a Section 457(b) plan.

Deductions Appearing in W-2 Boxes 12a - 12d

Certain deductions should be listed in Box 12 with their appropriate letter code. Refer to the IRS publication Instructions for Form W-2 for a reference guide of Box 12 Codes.

The code “D” that is associated with the 401(k) contribution does not have any bearing on the position in box 12 that the information prints. From the IRS W-2/W-3 instructions: “Box 12-Codes. Complete and code this box. Note that the codes do not relate to where they should be entered for boxes 12a-12d on Form W-2.”

If you wish more explanation regarding printing of your W-2 information, there is a copy of the W-2/W-3 instructions in .pdf format located in the IRS forms folder inside the Payroll folder on the hard drive of your computer, or you can download a copy from the IRS website at www.irs.gov.

Box 13 Check Boxes

On the Employee Setup window, under the **Taxes** tab, check the box **Statutory Employee** for employees whose earnings are subject to social security and Medicare taxes but not subject to Federal income tax withholding. There are workers who are independent contractors under the common-law rules but are treated by statute as employees. These are called statutory employees. See Pub. 15-A for details.

Check the box **Retirement plan** if the employee was an “active participant” (for any part of the year) in any of the following retirement or annuity plans: 401(a), 401(k), 403(a), 403(b), 408(k) (SEP), 408(p) (SIMPLE), 501(c)(18), or a plan for Federal, state, or local government employees. Do not check this box for contributions made to a nonqualified or section 457(b) plan.

Check the box **Sick Pay** if any employee received sick pay benefits during the year from a third party.

Box 14 – Other

Box 14 can be used for information (Income or Deduction items) that you wish to identify for your employees. Examples include state disability insurance taxes withheld, union dues, uniform payments, health insurance premiums deducted, nontaxable income, educational assistance payments, or a clergy’s parsonage allowance and utilities. Check the Box 14 W-2 Options in the Setup window for the Additional Income or Deduction you wish to report.

On the W-3 in Box 14, employers that had employees with Federal withholding by a third party payer will show amount withheld on sick pay of all employees this applies to. This amount is also included as part of the total in box 2 for the W-3. This amount must be reported in both places.

Box 15

Box 15 shows State/State ID#. If you withhold in more than one state, there will be an ‘X’ showing in this box and no state ID entered.

An ‘X’ will appear on the W-3 in box 15 if you withhold for more than one state in a single payroll company.

Furnishing Copies B, C, and 2 to Employees

Furnish copies B, C, and 2 of Form W-2 to your employees, generally, by January 31st. You will meet the “furnish” requirement if the form is properly addressed and mailed on or before the due date.

If employment ends before December 31st, you may furnish copies to the employee at any time after employment ends, but no later than January 31st. If an employee asks for Form W-2, give him or her the completed copies within 30 days of the request or within 30 days of the final wage payment, whichever is later. If you terminate a business or are unable to furnish W-2s by the due date, see the IRS Instructions for Forms W-2 and W-3.

Printing on Blank, Perforated W-2s and W-3s

Note A laser or high quality printer is needed for printing W-2/W-3s on blank paper.

1 Click **W-2 & W-3 Statements** in the **Command Center**.

2 Select the employees from the list.

You can select a consecutive or non-consecutive set of employees in the list. For a non-consecutive series of employees, hold down the **Ctrl** (Windows) key or **Command** (⌘) key (Mac) while clicking individual employees in the list.

If no employees are selected, W-2s for all employees will be printed.

Note Employees with no wages paid in the calendar year will not be reported nor have a W-2 printed.

3 Load your printer's paper tray with 4-up perforated blank sheets.

4-up perforated blank sheets are used to print the employee W-2 copies.

Note You may want to select one employee to print a sample 4-up perforated blank sheet first before printing all your employees to make sure that the sheets are loaded into your printer correctly.

4 Make sure the **W-2 on Plain Paper** radio button is selected and **4-up Employer All Copies** is selected in the drop-down list.

5 Click **Print**.

Note You can also print Employee Copies B, C and 2 on 2-up perforated blank paper by selecting the desired item in the drop down menu. 2-up perforated blank sheets print two different employees per page.

6 After you have printed the employee W-2 copies on the 4-up perforated blank sheets, load the 2-up perforated blank sheets into your printer's paper tray.

2-up perforated blank sheets print two different employees per page and are used for employer W-2 copies D and 1.

7 (for 4-part, 6-part, & 8-part W-2s) Select the **W-2 on Plain Paper** radio button then select **2-up Employer Copy 1** from the drop-down list.

8 Click **Print**.

- 9 (for 6-part & 8-part W-2s) When Copy 1 is done printing, select **2-up Employer Copy D** from the drop-down list.
- 10 Click **Print**.
- 11 (for 8-part W-2s) When Copy D is done printing, select **2-up Employer Copy 1** from the drop-down list.
- 12 Click **Print**.

Note If you are filing using **EFW2** you do not need to complete steps 13-15, as you do not need to submit Copy A. For more information on EFW2, see “Saving Federal and State Electronic Information in the EFW2 Format” on page 224.

- 13 (for 4-part, 6-part & 8-part W-2s) Load your printer's paper tray with plain paper*.
- 14 Select **2-up Employer Copy A** from the drop-down list.
- 15 Click **Print**.

Printing the W-3 Form

- 1 Make sure your printer's paper tray is loaded with plain paper*.
- 2 Select the **W3 on plain paper** radio button.
- 3 Click the **EFW2/W3 Setup** button.
- 4 Enter your company's contact, phone, fax, and email information in the fields.
- 5 Click **OK**.
- 6 Click **Print**.

Note * Plain Paper: Use to print the W-2 Federal Copy A and W-3 Transmittal Copy. Red printed copies are no longer required for these two forms. CheckMark does not sell Plain Paper. You can use the 20 lb. white paper found in most offices for copiers or printers.

Important To print W-2s and W-3 on blank perforated paper, the most current version of CheckMark Payroll must be installed to be assured that the format being printed is acceptable for submission. If you are running an older version, the pre-printed forms option is available. Pre-printed forms for prior years can be obtained from the IRS.

Printing on Preprinted W-2s and W-3s

Important Print a Sample W-2 and W-3

Before you print the W-3 and W-2s for all of your employees, you should print a sample W-2 and a sample W-3 on blank paper to make sure that the alignment is correct, and that the amounts are printing in the correct boxes. Each type of printer will print slightly different, and you may need to adjust the fields for your specific printer. If the alignment is incorrect, see the section below, “Fixing Alignment Problems.”

Resetting the Default

You can reset the default on the pre-printed W-2 or W-3 form by going into the **W-2 & W-3 Statements** window, clicking on either the **W-2 on preprinted forms** or **W-3 on preprinted form** option, hold down the Shift key on the key board and click the **Edit Format** button.

Fixing Alignment Problems

If the alignment on the sample W-2 or sample W-3 you printed above is incorrect, follow these steps:

- 1 Click **W-2 & W-3 Statements** in the **Command Center**.
- 2 Select the **W-2 on preprinted forms** or **W-3 on preprinted form** radio button, then click **Edit Format**.

The Format window appears.

- 3 Move the field or fields that need adjustment.

For more information on repositioning fields on the Format window, see “Formatting Checks, W-2s, and W-3s” on page 227

Printing W-2s with a Laser or Ink-jet Printer

- 1 Click **W-2 & W-3 Statements** in the **Command Center**.
- 2 Select the employees from the list.

You can select a consecutive set of employees.

If no employees are selected, W-2s for all employees will be printed.

- 3 Load your printer’s paper tray with the appropriate set of forms.

Laser and ink-jet printers can’t print on multiple-part forms. You need to print each set of forms individually. For example, if you are printing 4-Part Laser forms, you would load the set of Copy As into the paper tray and print Copy A for all of your employees. Then, when Copy A is finished, you would load the set of Copy Bs into the paper tray and print Copy B for all of your employees. Then you would repeat this process with Copy C and Copy D.

- 4 Select the **W-2 on preprinted forms** radio button.
-

- 5 Click **Print**.
- 6 Repeat steps 3–5 for each set of forms.

Printing W-2s with a Dot Matrix Printer

- 1 Click **W-2 & W-3 Statements** in the **Command Center**.
- 2 Select the employees for the W-2s.

You can select a consecutive set of employees.

If no employee names are highlighted, all employees will be reported.
- 3 Load your printer's paper tray with the appropriate set of forms.

Dot matrix printers are impact printers and can print multiple copies at once. W-2 forms for dot matrix printers come as Twin Sets. One set is the employee set and the other is the employer set. You will make two passes through your printer.
- 4 Select the **W-2 on preprinted forms** radio button.
- 5 Click **Print**.

A **Windows Print** dialog appears. Select **All** for the **Print Range**. Set the **Print Quality** to the appropriate dpi and set the number of **Copies** to 1.
- 6 Load the other set of W-2s into the printer and print them the same way as the first set.

Printing on the Form W-3

- 1 Load the pre-printed W-3 form into your printer.
 - 2 Select the **W3 on preprinted form** radio button.
 - 3 Click the **EFW2/W3 Setup** button.
 - 4 Enter your company's contact, phone, fax, and email information in the fields.
 - 5 Click **OK**.
 - 6 Check the **Preprinted W-3** checkbox.
 - 7 Click **Print**.
-

Third-Party Sick Pay Reporting on the W-2 and W-3 Statements

- 1 Select **Additional Income** on the **Command Center** window.
- 2 Select **New**. Enter a description of the income such as “Sick Pay”. You are limited to 12 characters. Set the Calculation Method as *Variable*. Close **Additional Income** window.
- 3 Select **Employees** on the **Command Center** window.
- 4 Select an employee from the list on the right and then select the **Taxes** tab at the top.
- 5 Mark check box for the W-2 box 13 **Sick Pay**.
- 6 Select **Income** tab. Under **Company Categories** select “Sick Pay” then **Assign** and **Save**.
- 7 Reselect the same employee from the list and the **YTD** tab. In the box labeled “Sick Pay” modify the amount from 0.00 to gross wages paid by third-party payer. Also, modify Social Security and Medicare amounts to amount shown plus the amount withheld by third-party payer. If necessary, enter the amount of federal withholding withheld on sick pay in the box labeled “3rd Party Federal W/H”. **Save**.
- 8 Repeat steps 3-7 for all employees paid sick pay by a third-party payer.
- 9 Select **W-2/W-3 Statements** on the **Command Center** window.
- 10 Print W-2’s and W-3 statements. For more information on printing W-2s and W-3s see “Creating W-2 and W-3 Reports” on page 216

Creating Electronically Filed Reports

You can save a file from CheckMark Payroll that you can use to submit W-2 information to the SSA electronically in the EFW2 format. For more information on submitting W-2 information electronically, see the Social Security Administration (SSA) publication about Electronic Filing (EFW2) online at <http://www.ssa.gov/employer>.

CheckMark Payroll also allows you to save State information for filing electronically. For a list of available states, click the pull-down list next to the EFW2 File button.

Saving Federal and State Electronic Information in the EFW2 Format

Before you save the information as a file, you should verify some information for your company and your employees. Generally, if you've already printed W-2s for your employees and all of the information is correct, you can save the information as a file. You should make sure that:

- Your company name, address, and Federal and State ID numbers are correct on the Company Information and State Taxes windows.
- Each employee should have a valid 9-digit Social Security Number.
- Any deferred compensation or pension plans have been set up correctly in CheckMark Payroll and correctly assigned to the employees. For more information, see Chapters 7, 8, and 9.

When you're ready to save the electronic file information in the EFW2 format, do the following:

- 1 Click **W-2 & W-3 Statements** in the **Command Center**.
- 2 Select the **EFW2 File** radio button.
- 3 Select Federal or your state from the pull-down list.

Note Some state require <CR><LF> between each record in order to file electronically. If necessary, select check box **Add CR/LF to EFW2** before creating your state's EFW2 file. For more information, check with your state or see your states website.

- 4 Click the **EFW2/W3 Setup** button.
-

- 5 Enter the correct data for your company, then click **OK**.

If you are filing the EFW2 file on behalf of another company, you can enter your own Submitter information in the Submitter EIN, Submitter Company, Submitter Address, City, State, and Zip fields. Otherwise, CheckMark Payroll will use the Federal ID, Company, and Address information from the Company Information window.

- 6 Click **Text File**.

A Save dialog appears. The default name for the file is "W2REPORT.TXT." Do not change this name unless your state requires a different file name.

- 7 Choose the directory in which you want to save the text file.

- 8 Click **Save**.

Follow the instructions in the SSA publication about Electronic Filing (EFW2) or your state publication for complete instructions on filing.

Note **For Federal Filing:** After saving the W2REPORT.TXT text file, you should run the Social Security Administration's software, AccuWage, to make sure that the information is correct before submitting the file. For more information on AccuWage, see <http://www.ssa.gov/employer/accuwage/index.html>. Available for Windows computers only.

Chapter 38 Customizing Checks and Reports

Formatting Checks, W-2s, and W-3s

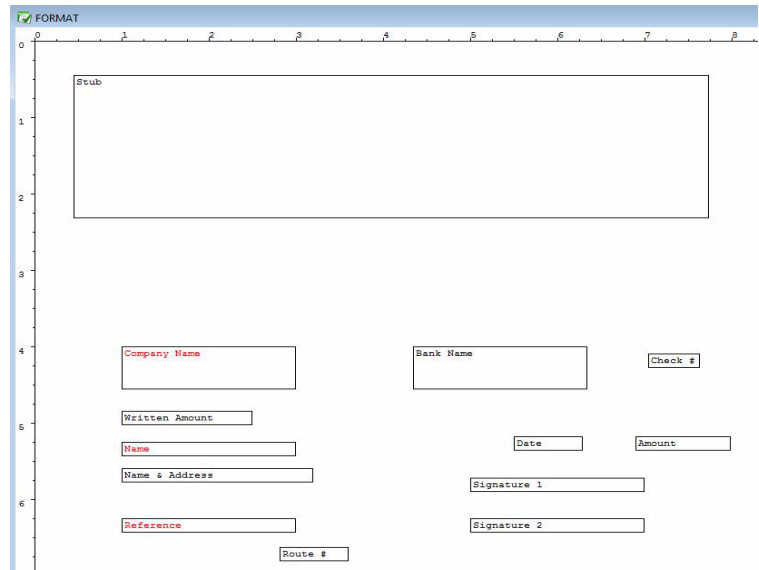
You can reposition items that print on checks, or pre-printed W-2s, and W-3s to align printing for your particular printer or form.

- 1 Click the **Edit** (Win) or **Edit Check Format** (Mac) button on the appropriate window.

To format employee paychecks and employer payment checks, use the **Print Paychecks** window. To format W-2s and W-3s, use the **W-2 & W-3 Statements** window.

A format window appears that allows you to reposition the fields.

For example, clicking the **Edit** button (Win) associated with the **Custom Check Format** area on the **Print Paychecks** window opens the following window:



Use this **Format** window to position the fields that print on checks. Employer checks use the field positions set up for employee paychecks.

- 2 Drag the print fields to their new positions.

To move a single field to a new position, position your mouse pointer over the field, hold your mouse button down and move your mouse in the direction of the new position. You can also use the directional arrows on your keyboard to move the selected field.

To select a group of print fields, hold down the SHIFT key while clicking individual fields or drag over the fields until all the desired items are at least partially contained within the box. The selected fields should be highlighted. Holding down the SHIFT key and moving one field will move the entire group.

To restrict movements to vertical positioning, hold down the ALT key (Windows) or OPTION key (Mac) while moving dragging the field or fields. To restrict movements to horizontal positioning, hold down the CTRL key (Windows) or Command (⌘) key (Mac) while dragging the field or fields.

To prevent a field from printing, double-click the field or select the field and press the space bar. The field's name will become red. To re-enable the field for printing, double-click the field again or select the field and press the space bar. Its name will become black.

- 3 When you've finished repositioning the print fields, close the window.
- 4 Click **Yes** to save the format changes.

Resetting the Default

You can reset the default format placement for checks and W-2/W-3 reports.

Checks

To reset the default check format, open the **Print Paychecks** window. Click either the **Custom-Check in Middle** or **Custom-Check on Top** option. Hold down the Shift key on the keyboard and click the **Edit...** button.

W-2 and W-3

You can reset the default on the pre-printed W-2 or W-3 form by going into the **W-2 & W-3 Statements** window, clicking on either the **W-2 on preprinted forms** or **W-3 on preprinted form** option, hold down the Shift key on the key board and click the **Edit Format** button.

Part 5

Customizing and Maintaining CheckMark Payroll

In Part 5, you'll find out how to do the following:

- Position print fields to format checks, W-2s, and W-3s
 - Set preferences and select the print font for reports
 - Change the Command Center's color
 - Increase or Decrease the font size for windows
 - Make a backup
 - Restore a backup
 - Set up a password
 - Find Payroll data files
 - Start a new year
-

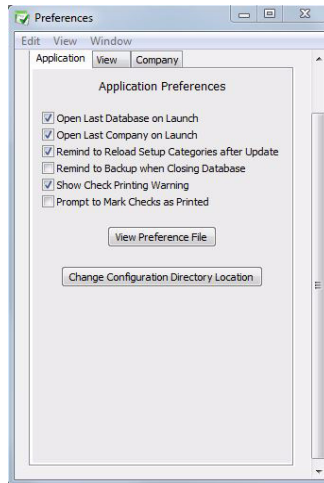
Chapter 39 Setting Preferences

This chapter shows you how to set various CheckMark Payroll preferences and view options and select the font for printing.

Payroll Preferences

You can use the **Preferences** window under the **File** menu to set various CheckMark Payroll options.

- 1 Choose **Preferences** from the **File** menu.



- 2 Check or uncheck the preferences.
- 3 When you have finished setting the preferences, close the window, then click **Yes** when prompted to save changes.

Application Preferences

Open Last Database on Launch	When checked, the last used Payroll database will open automatically when you launch CheckMark Payroll.
Open Last Company on Launch	When checked, the last used Payroll company will open automatically when you launch CheckMark Payroll.
Remind to Reload Setup Categories after Update	This option will prompt you to reload all setup categories after an update making sure you stay current with any tax table, deduction or income changes.
Remind to Backup when Closing Database	When checked, you will be prompted to make a backup of the database you're in when you close.

Show Check Printing Warning

When checked, a warning appears if you have Middle Check selected on the Print Paychecks window and you have more than four Additional Incomes or eight Deductions assigned to an employee. If you have more than four Additional Incomes and/or eight Deductions for your employees, we recommend you buy check stock with the check on top.

Prompt to Mark Checks as Printed

When checked, you will see a prompt when you print checks asking if you want to mark the checks as printed. You can select Yes or No to mark or not mark the checks as printed. If this preference is NOT checked, all checks will be automatically marked as printed after you print them.

Show Critical News Only

When checked, the newsfeed on the Command Center window will show only critical information posts.

View Preference File

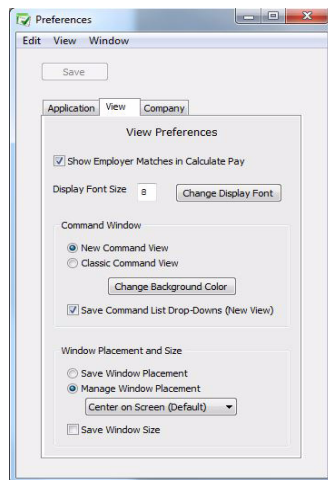
Select this option to view all the Preferences settings for the open company.

Change Configuration Directory Location

When selected, you can move the "CheckMark" Directory that contains the company database to another location of your choosing.

View Preferences

- 1 Choose **Preferences** from the **File** menu.

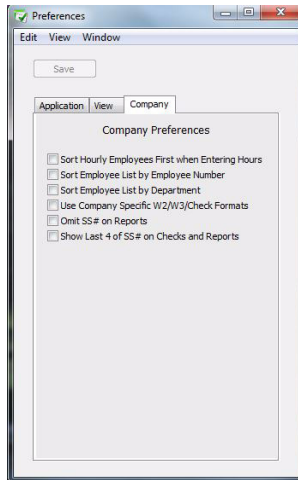


- 2 Click the **View** tab. Check or uncheck the preferences.
 - 3 When you have finished setting the preferences, close the window, then click **Yes** when prompted to save changes.
-

Show Employer Matches in Calculate Pay	When checked, this option will display the employer matches in the Calculate Pay screen when creating checks.
Display Font Size	You can customize the window size in CheckMark Payroll by increasing or decreasing the font size for all windows. Simply enter a number, a lower number will decrease the window size and a higher number will increase the window size.
Change Display Font	You can change the size and display font for most screens throughout payroll. Click on the Change Display Font button and choose which font and size you would like.
Command Window	You can change the Command Screen (main screen) from the new command view or use the classic view by clicking the corresponding radio button.
Change Background Color	Clicking on the Change Background Color button allows you to change the color of reset to the default color for the Command Screen view.
Save Command List Drop-Downs (New View)	With the New Command Screen View, you can select this box to save whatever drop down menus you had open before closing. Those menus will re-open automatically when you open Payroll back up.
Save Window Placement	When selected, if you reposition windows within the payroll program, the new positions are saved.
Manage Window Placement	When selected, you can choose the following option from the drop-down menu: Center on Screen (Default) - When selected, the Command Center will appear in the center of your screen and all report windows when open will appear one on top of the other. Cascade from Right (Classic) - When selected, the Command Center appears in the top left of screen and reports appear to the right of the command center cascading from left to right down the screen. Cascade from Left - When selected, the Command Center appears in top left of screen and reports appear on top of command center cascading from left to right down the screen.
Save Window Size	When checked, if you resize windows within the payroll program, the new sizes are saved.

Company Preferences

- 1 Choose **Preferences** from the **File** menu.



- 2 Click the **Company** tab. Check or uncheck the preferences.
- 3 When you have finished setting the preferences, close the window, then click **Yes** when prompted to save changes.

Sort Hourly Employees First When Entering Hours

When checked, CheckMark Payroll shows hourly employees first in the employee list on the **Enter Hours** window.

Sort Employee List by Employee Number

When checked, the employee number will appear before the employee name. Lists and reports will be sorted by employee number.

Sort Employee List by Department

When checked, the Department assigned on the Personal view tab (on the Employees window) will appear above employee names (employees will be listed alphabetically within the department), and employee lists and reports will be sorted by department.

Note

If both the Sort Employee List by Employee Number and Sort Employee List by Department options are checked, employee lists and reports will be sorted by department first, then by employee number within each department. Employees with no department or employee number assigned will appear alphabetically at the top of the list.

Use Company Specific W2/W3/Check Formats

Select this option if you keep separate formats for each separate company. If this option is not checked, one format will be used for all companies within the database.

Omit SS# on Reports

When checked, employee social security numbers will not appear on any reports except W-2 reporting and the California DE-6.

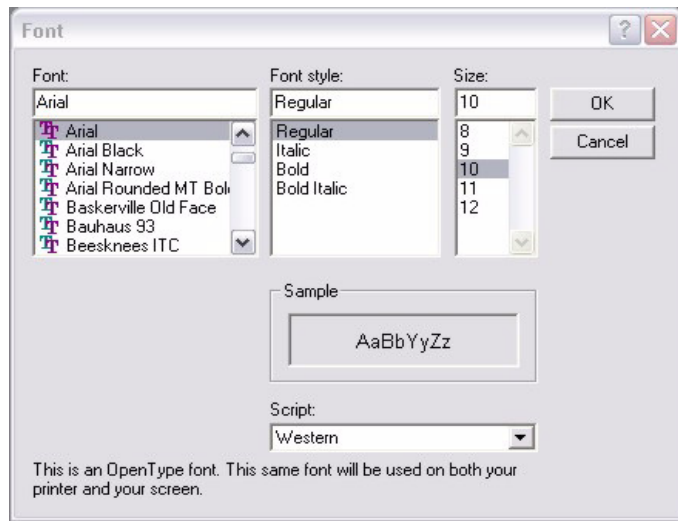
Show Last 4 of SS# on Checks and Reports

When selected, this option will only show the last 4 digits of the Social Security number on Checks and Reports.

Selecting the Print Font

You use the **Select Print Font** window under the **File** menu to select the font for printing checks and reports.

- 1 Choose **Select Print Font** from the **File** menu.



- 2 Select the font, font style, and font size.

The fonts listed are the fonts installed in your system. You can use fonts sizes from 8 to 14 points with CheckMark Payroll. To install or remove fonts, see your computer's owner's guide.

- 3 Click **OK**.

View Menu Options

You can use the options under the **View** menu to set the Command Center Window color, as well as increase or decrease the screen font size for Payroll windows.

Changing the Window Font Size

You can customize the window size in CheckMark Payroll by increasing or decreasing the font size for all windows.

- 1 Choose **Increase Font Size** CTRL = (Windows) or COMMAND = (Mac) from the **View** menu.

Or, choose **Decrease Font Size** CTRL - (Windows) or COMMAND - (Mac) from the **View** menu.

Changing the Display Font

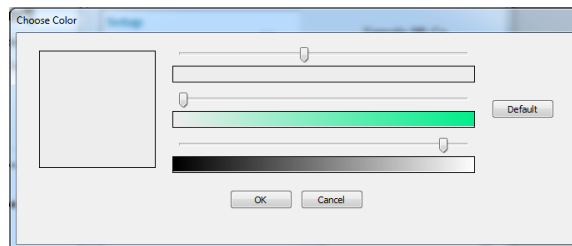
You can change the display font for better, more customized viewing on your screen for most areas.

- 1 Choose **Change Display Font...** from the **View** menu.
- 2 Select which font from the list you would like to change to. You can also select the Font Size.
- 3 Click **OK**.

Changing the Command Center Window Color

- 1 Choose **Change Color** from the **View** menu.

The Choose Color window appears:



- 2 Use the arrows to move change the color as you like.
- 3 Click **OK** to save the color, or click **Cancel** to leave the window without changing the color.

NOTE You can always reset to the default Command Center Color by clicking **Default**, then **OK**.

Chapter 40 Protecting Your Files

This chapter shows you how to protect your company files by backing them up, setting up a password and helping you locate payroll files.

Backing Up Your Company Files

There are two types of people: those who make back ups and those who wish they had. Backing up your database is not only prudent, but it's easy to do on a regular basis.

CheckMark Payroll makes an automatic backup of the database everytime you quit out of the software. This backup is saved in the `_Backups` folder located in the default database location. The default database backup location is:

Windows - `C:\CheckMark\Payroll\year_Backups`

Mac - `HD/CheckMark/Payroll/year/_Backups`

Important

We cannot stress enough the importance of making frequent backups. Backups are sometimes the only way restore data that is lost due to a crash or power failure. CheckMark highly recommends you make additional backups on a flash drive or CD that are not stored on the same computer as payroll in case of computer failure.

Suggestions for Backing Up

At a minimum, we suggest that you make a back up after each pay period.

You can use the **Create Backup...** to create your own backups. You should back up to a disk other than the drive that contains the original company files, such as a server, another hard drive, a CD, or a flash drive.

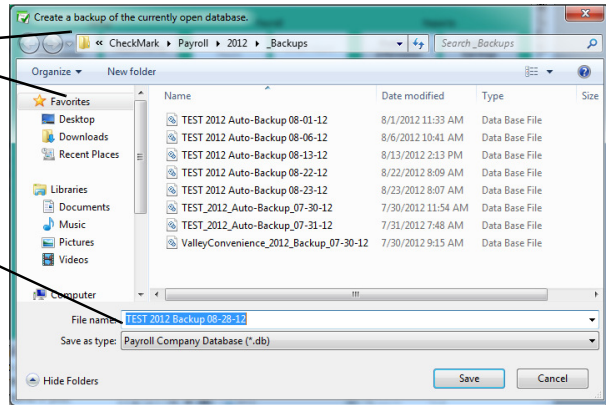
Making a Backup

- 1 Choose **Backup Database** from the **File** menu.

On Windows, it will look like this:

Use the pop-up menu and list below to choose where you want to save the backup.

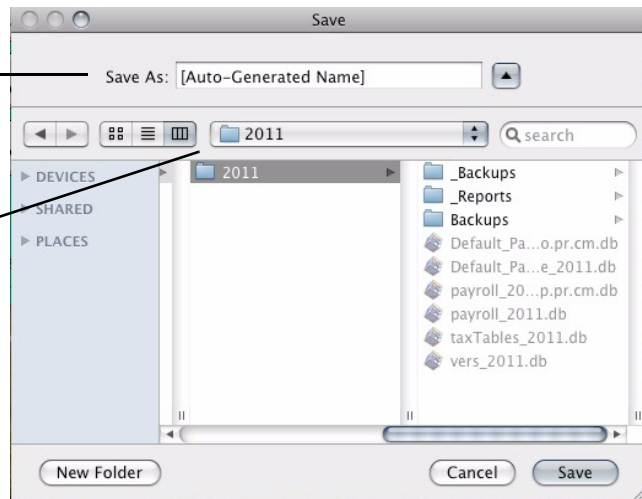
The default name for your backup is an auto generated name from the software. You can change this name if you want.



On Macintosh, it will look like this:

The default name for your backup is an auto generated name from the software. You can change this name if you want.

Use the pop-up menu to choose where you want to save the backup. You can even backup to a CD or flash drive



- 2 The default name for the archive is auto generated by the software.

You can change the name of the backup archive, but you cannot change the file type.

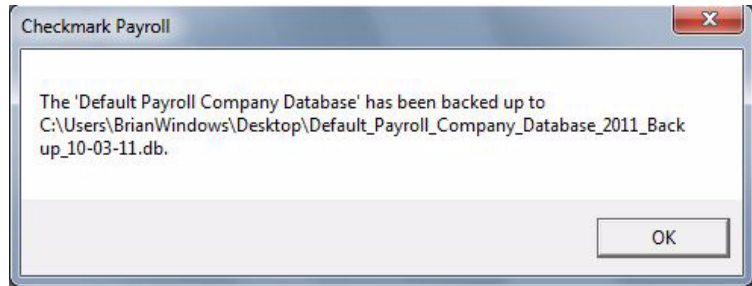
- 3 Choose where you want to save the backup archive.

Be sure to pay attention to where you save the backup. You may want to change the folder using the pull-down menu and list below. You can

save the backup archive anywhere, such as on your hard drive, an external drive, a flash drive or burn to a CD ROM.

4 Click **Save**.

When the backup is complete you will receive a message showing the location where the backup database was saved.

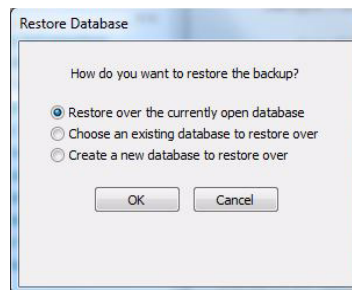


Restoring Backup Database

Important If you try to double click the “.db” backup file to open, you will most likely get the message that it can’t find an application to open. The .db files must be opened using the “**Restore Backup...**” command as described below before they can be opened.

- 1 Launch the Payroll program.
- 2 Choose **Restore Backup** from the **File** menu.

An Open dialog appears.



Note If there are no existing databases in the database manager, you will receive a message that you need to Create a New Database and the create database screen will open.

Restore over the currently open database

Choosing this option will allow you to select the backup .db file and overwrite the current database that is open.

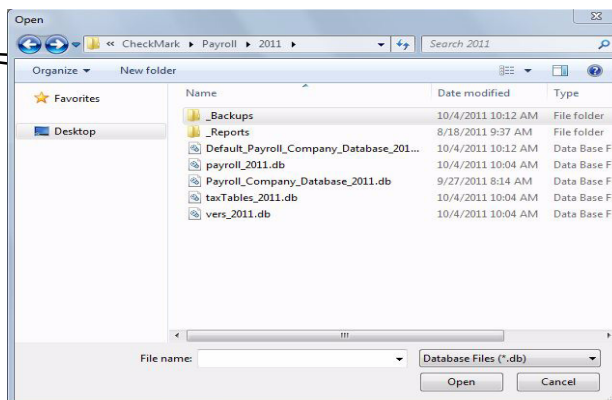
1 Locate the backup .db archive using the dialog box.

If you backed up your company files on a CD, flash drive, or other external media you should insert it now. Use the Look in pop-up menu and list below to locate the backup archive.

Note Payroll makes automatic backups of the database each time you quit out of the program. These are saved in the `_Backups` folder.

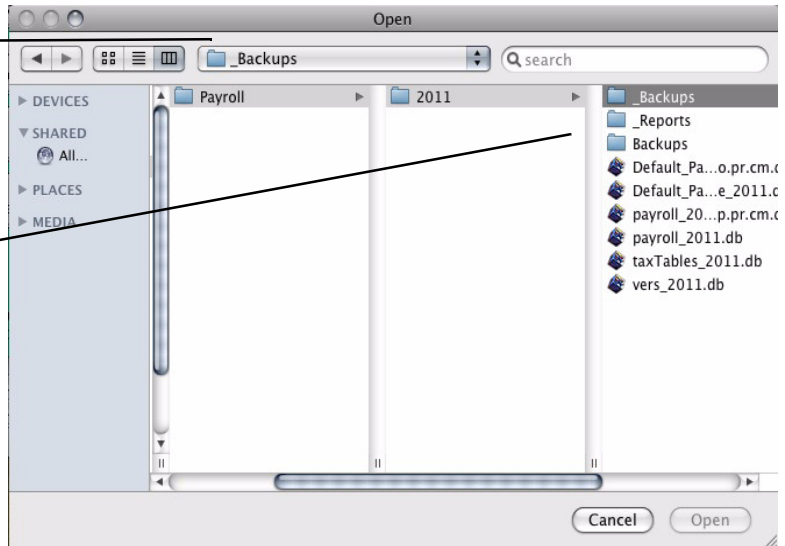
On Windows, it will look like this:

You may have to use the pop-up menu and list to locate the .db backup archive saved using the **Create Backup...** command, then click **Open**



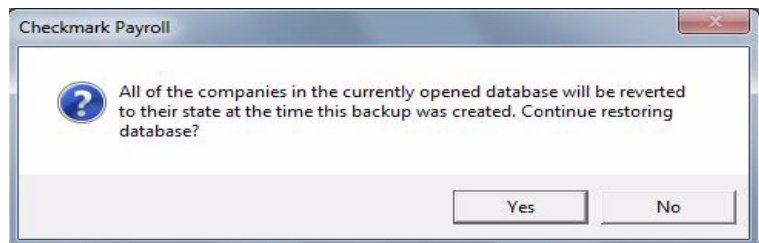
On Macintosh, it will look like this:

You may have to use the pop-up menu and list to locate the .db backup archive saved using the **Create Backup...** command, then click **Open**



Note If your backups are stored on a CD, it may be necessary to copy and paste the backup file to your computer before restoring the archive.

- 2 Click **Open**. A warning message appears about overwriting all data in the current database.

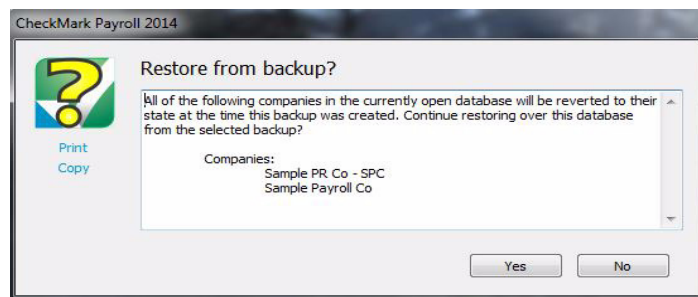


Important Unless your intent is to replace your current database with the restored backup, you should avoid continuing with the restore. **Restoring the backup .db will replace the current database along with all set up companies within that database.**

If you do not want to replace the entire database and all set up companies, you can add the database for viewing using the Database Manager command. For information on using the **Database Manager**,

see “Exiting CheckMark Payroll” on page 13.

I



Do Not click Yes if you do not want to overwrite the current database and all set up companies in that database. To view a backup database without overwriting the current database, you can add the database to open in the **Database Manager**. For information on using the **Database Manager**, see “Exiting CheckMark Payroll” on page 13.

- 3 Click **Yes** to restore the backup database.
- 4 Click OK to begin working in the restored database.

Setting Up a Password

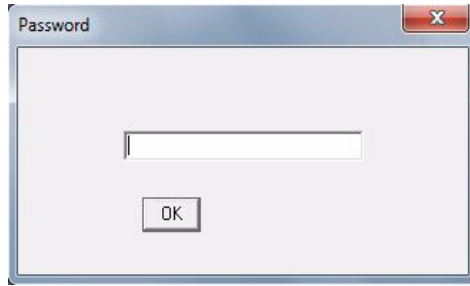
You can set up a password to restrict access to your company files. The password is *not* case sensitive. For example, an upper case “T” is treated the same as a lower case “t”.

- 1 Click **Company Information** in the **Command Center**.
- 2 In the **Password** edit box, enter a password up to 40 characters long.

Password

- 3 Close the window and save changes when prompted.

When you open the company, you will be prompted for the password.



Enter the password and click **OK**. As you enter the password, the characters in the edit box appear as asterisks (*) to prevent the password from being seen by others.

Chapter 41 Starting a New Year

The Start New Year (Import Prior Year) command automatically advances your payroll to next year and retains your previous payroll files for easy access.

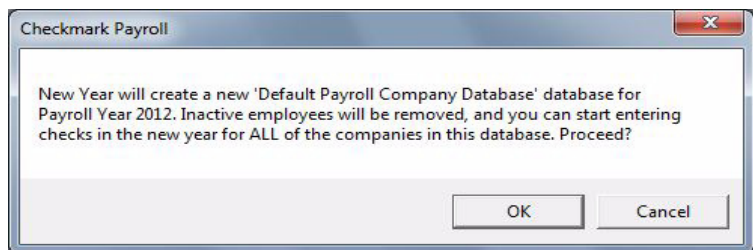
When you start a new year for a company, the following happens:

- The payroll year is incremented to the next year for all companies in the current database.
- A new database is created from the current database for the new year. The new year database is saved in the same location as the current database.
- You can access prior year databases under the **Database Manager** located under the **File** menu.
- All employee and employer checks are cleared.
- All employee earnings are zeroed.
- All employees marked as **Inactive** in the **Employee** setup screen are deleted.
- Checks for the new year can be entered.

Starting a New Year

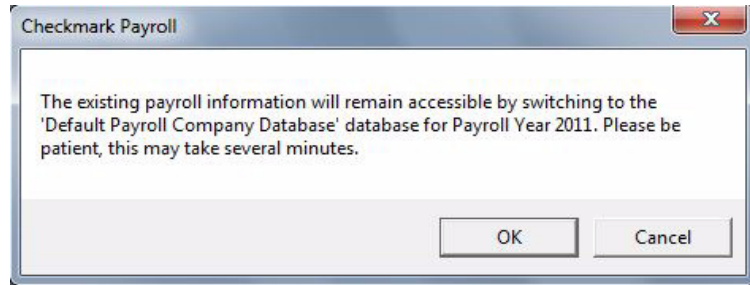
- 1 Choose **Start New Year [year] (Import Prior Year)** from the **File** menu.

An alert appears to let you know you are starting a new year.

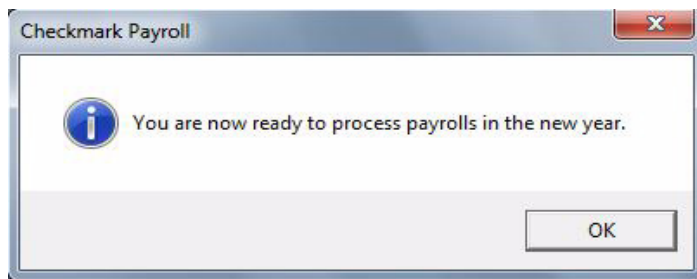


- 2 Click **OK**.

An alert appears describing what happens when the New Year process is completed



- 3 Click **OK**.



- 4 An alert appears telling you that you are ready to process payroll in the new year. Click **OK** to proceed.

Before you create employee or employer checks in the New Year, you can do the following:

- Change the hour categories order in Setup.
- Delete Additional Income or Deduction categories that are no longer used.
- Delete employer payees that are no longer used.

Important

Make Frequent Backups. Because there is always a risk of computer failure, it's highly recommended that you make frequent backups to an external device (See "Backing Up Your Company Files" on page 237.).

Keep Your Payroll Current. Install any updates or patches that are available.

Appendix A Direct Deposit

CheckMark Payroll allows you to utilize direct deposit for your employees through your financial institution using ACH Direct Deposit or through National Payment Corporation using Web Direct Deposit.

Using CheckMark Payroll for ACH Direct Deposit

CheckMark Software allows you to utilize direct deposit for your employees through your financial institution. Payroll creates an ACH file that you can submit directly to your bank.

Tip CheckMark Payroll also handles Web Direct Deposit via the internet through National Payment Corporation. For more information on getting set up for Web Direct Deposit, please contact National Payment Corporation at www.directdeposit.com. For more information, see “Using CheckMark Payroll for Web Direct Deposit” on page 250.

Before setting up information in CheckMark Payroll, you should contact your financial institution to see if they allow for direct deposit to employee accounts using the ACH format. Your bank will give you specific instructions and information you need to set up CheckMark Payroll for direct deposit.

After you have contacted your bank, follow these instructions to set up information in CheckMark Payroll:

Set Up Employees for ACH Direct Deposit

- 1 Click **Employees** in the **Command Center**.
 - 2 Select an employee from the list on the right.
 - 3 Check **Direct Deposit**, then select **Checking** or **Savings**.

Select **Checking** if the employee wants his/her wages to be deposited in a checking account or select **Savings** if the employee wants his/her wages to be deposited in a savings account.
 - 4 Enter the employee’s nine-digit routing number for his/her bank in the **Routing #1** field.

This number is 9 digits.
 - 5 Enter the employee’s account number for his/her bank in the **Account #1** field.

This number can be up to 17 digits.
-

- 6 If the employee is depositing into two accounts, enter the routing number of the second account into **Routing #2** field.
- 7 Select whether this account is a **Checking** or **Savings** account.
- 8 Enter the account number of the second account into the **Account #2** field.
- 9 Enter the amount to be deposited into the second account into the **Amount** field.
- 10 If necessary, check **Prenote**.

Prenote is typically only selected the first time that the employee paycheck is created for direct deposit. When your bank notifies you that the deposit went through correctly, you will deselect the Prenote option and click **Save**.

Note If you're using ACH Direct Deposit for the first time, you don't need to check the Prenote box for employees. Instead, use the Prenote checkbox in the **Direct Deposit** setup window under the **Employee Paychecks** window.

Set Up ACH Direct Deposit Information

After you have set up employees for direct deposit as described earlier in this section, then processed payroll and created checks, you are ready to create the ACH file for submission to your bank.

- 1 Click **Employee Paychecks** in the **Command Center**.
- 2 Select **ACH Direct Deposit**.
- 3 Select one or more check dates.

The only checks that will be included in the ACH file are those for employees who are set up as Direct Deposit employees on the Personal tab of the Employees setup window.

- 4 Click **Text File**.

The following window appears:

Direct Deposit

Originator Name |

Originator Routing #

Destination Name

Destination Routing #

Company ID

Entry Description

Discretionary Data

Account Number

Effective Date 02/10/12

File ID Modifier A

Balanced File

Prenote

Omit SS#

OK Cancel

Your bank or ACH provider should supply you with the information for this window.

For more information about the Direct Deposit fields, see “Fields on the ACH Direct Deposit Window” on page 249.

- 5 Once the information is entered, click **OK**.

After you have entered this information the first time it will be saved for future use. The only information you may have to edit each time is the Effective Date.

A Save dialog appears. The file is named Deposit by default. If your bank requires a different file name, you can change it.

- 6 Choose where you want to save the file, then click **Save**.

Check with your bank for information on submitting the deposit file that was created.

Fields on the ACH Direct Deposit Window

Originator Name

This is usually your company name, but you should contact your bank to make sure of the exact name to enter. This field is limited to 23 characters.

Originator Routing

This is the nine-digit routing number of your bank, and is printed at the bottom of your checks. This field can accommodate up to ten characters.

Destination Name This is the name of the institution receiving the ACH file. This field is limited to 23 characters. Your bank should provide you with this information.

Destination Routing # This is the nine-digit routing number of the institution that will receive the ACH file. Your bank should provide you with this information.

Company ID This is the ID number that identifies your company during the transaction. Check with your bank for the correct ID number to enter. This field can accommodate up to ten characters.

Entry Description This entry will appear on employee's bank statement when his pay is posted to his account. This field is limited to 10 characters. Examples for this include PAYROLL, DIRECT PAY, or DIRDEPOSIT.

Discretionary Data This is for information your bank may have asked you to insert in your ACH file. Limited to 20 characters or 16 if all letters are capitalized.

Account Number This is the offsetting account number used in a balanced file. If your bank requires a balanced file, enter the necessary account number in this field. This field allows 17 numbers.

Effective Date This is the date you would like the transaction to take place. Typically it is one to two banking days after you have posted your ACH file. Your bank should let you know what the lead time is for the deposit.

File ID Modifier The default value is an "A." Increment to "B", "C", and so on for additional files sent on the same day, if you are instructed to do so by your bank.

Balanced File If your bank requires a balanced file, place a checkmark in this box.

Prenote If necessary, check Prenote. This option zeroes out all records. Prenote is typically only selected the first time that your company submits an ACH direct deposit. When your bank notifies you that the deposit was processed correctly, you will no longer need to check Prenote.

Omit SS# This option omits the social security number on the ACH direct deposit file.

Using CheckMark Payroll for Web Direct Deposit

National Payment Corporation can use either the Web Direct deposit option or the ACH NPC Direct Deposit option. Contact National Payment Corporation for details on which format to use at www.directdeposit.com.

Designate Employees for Web Direct Deposit

- 1 Click **Employees** in the **Command Center**.
-

- 2 Select an employee who receives Web Direct Deposit from the list on the right.
- 3 Check the **Direct Deposit** check box. Click **Save**.
- 4 Repeat steps 2-3 for each employee who receives direct deposit.

Create an Export File for Web Direct Deposit

After you have set up employees for direct deposit as described earlier in this section, then processed payroll and created checks, you are ready to create the Web Direct Deposit file for submission to National Payment.

- 1 Click **Employee Paychecks** in the **Command Center**.
- 2 Select one or more check dates.
- 3 Select the **Web Direct Deposit** radio button.
- 4 If desired, select the **Use Employee #** checkbox to use the employee's ID number instead of the Social Security number. You must have the Employee Number set up with National Payment Corp. to use this option.
- 5 Click **Text File**.

A save dialogue appears. The file is named Web Direct Deposit by default. You can change the file name if necessary.

- 6 Choose where you want to save the file, then click **Save**.

Be sure to remember where you saved the text file, as you will need it to import into the National Payment website.

Using CheckMark Payroll for ACH NPC Direct Deposit

National Payment Corporation can use either the Web Direct deposit option or the ACH NPC Direct Deposit option. Contact National Payment Corporation for details on which format to use at www.directdeposit.com.

Designate Employees for ACH NPC Direct Deposit

- 1 Click **Employees** in the **Command Center**.
 - 2 Select an employee who receives ACH NPC Direct Deposit from the list on the right.
 - 3 Check the **Direct Deposit** check box. Click **Save**.
 - 4 Repeat steps 2-3 for each employee who receives direct deposit.
-

Create an Export File for ACH NPC Direct Deposit

After you have set up employees for direct deposit as described earlier in this section, then processed payroll and created checks, you are ready to create the ACH NPC Direct Deposit file for submission to National Payment.

- 1 Click **Employee Paychecks** in the **Command Center**.
- 2 Select one or more check dates.
- 3 Select the **ACH NPC Direct Deposit** radio button.
- 4 If desired, select the **Use Employee #** checkbox to use the employee's ID number instead of the Social Security number. You must have the Employee Number set up with National Payment Corp. to use this option.
- 5 Click **Text File**.

A save dialogue appears. The file is named Deposit.txt by default. You can change the file name if necessary.
- 6 Choose where you want to save the file, then click **Save**.

Be sure to remember where you saved the text file, as you will need it to import into the National Payment website.

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