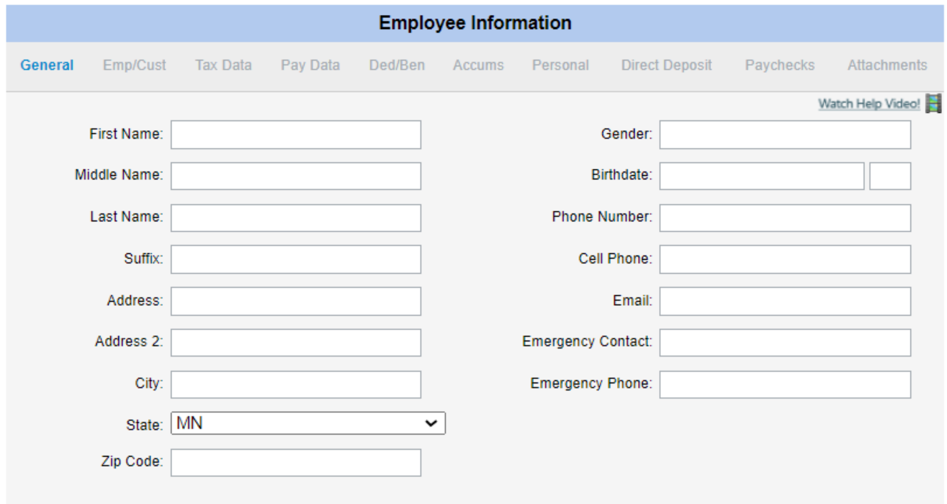
New Employee Set up

Here are some guidelines to help you get employees set up properly in the accounting system. **Please note: When an employee resigns or is terminated, after their last paycheck is issued, please go into the payroll system and delete all items on the employee's deduction record. This will prevent issues if the employee should work in the future as a temporary employee.**

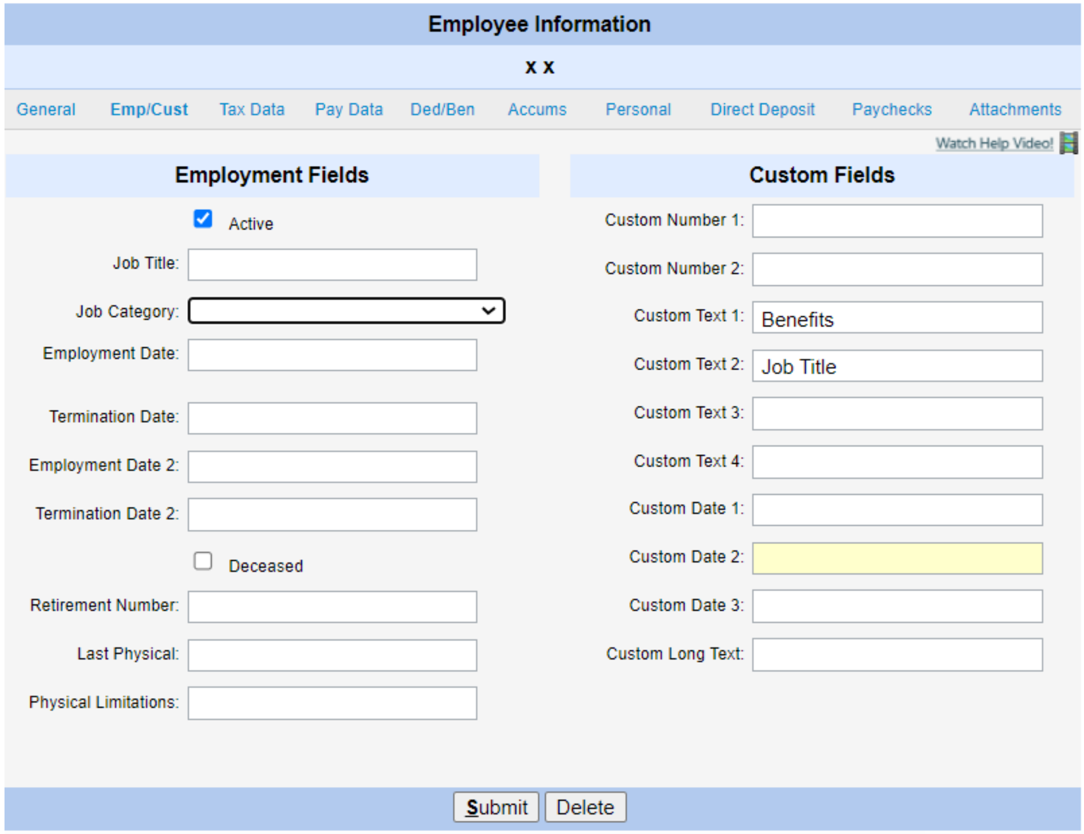
1. General



i.

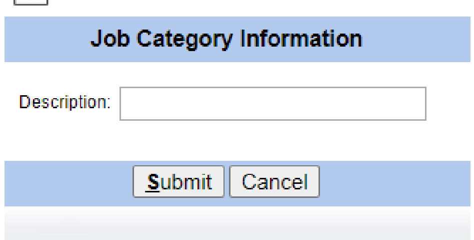
b. Use the full legal name of each employee.
c. It is important to fill out all fields to have a complete record.
d. Please be sure to record emergency contact information for your employees.

2. Emp/Cust Information

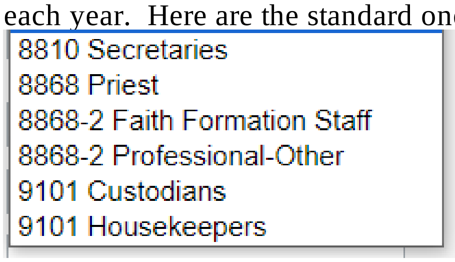
i. 

3. Put in the Job Title Information in the Job Title field and also in Custom Text 2.
    a. Use the Job Category to select the workers' compensation codes. You can set these up by going to Setup, Optional Setup and Job Category

i. 

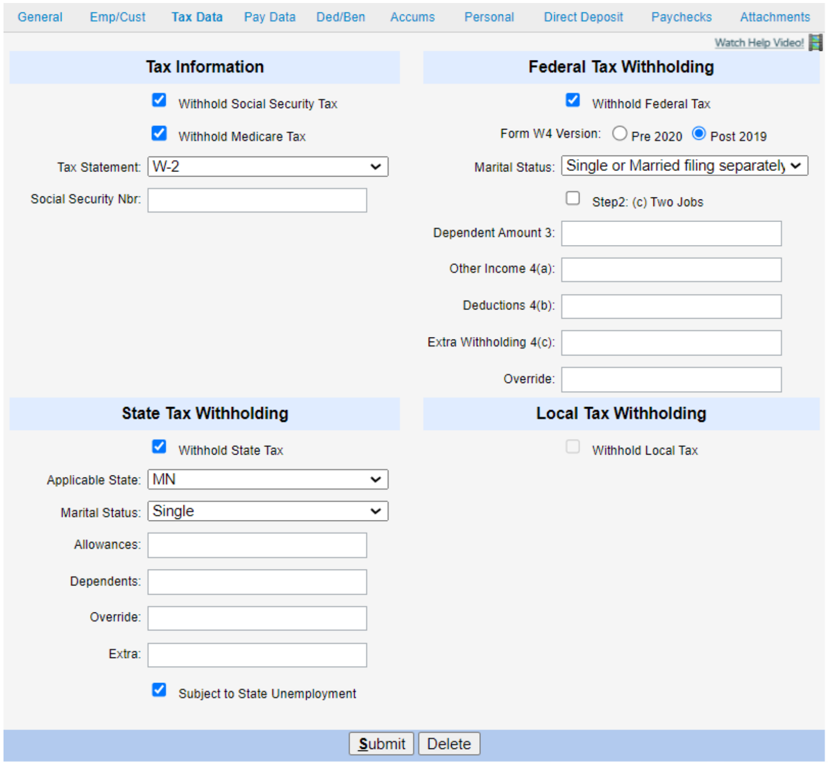
ii. 

1. The Workers' Compensation codes are on the Annual Workers' Compensation report that is submitted to Catholic Mutual in February of each year. Here are the standard ones for a parish:

2. 

b. Fill in the employment date and any other information that you would like in the custom fields.

4. Tax Data

a. 

b. Priests and deacons are considered employees of the church but self-employed for tax purposes. Uncheck the Withhold Social Security Tax and Withhold Medicare Tax for them but leave the Withhold State Tax and Withhold Federal boxes checked.

c. For all non-clergy employees leave all the tax boxes checked.

d. Fill in the social security number for the employee.

e. For the State Tax Withholding section:

   i. Fill in the information as entered on the MN W-4.

   ii. If a priest or deacon opts not to have state taxes withheld, enter a zero in the override field.

   iii. If a priest or deacon opts to have state taxes withheld, enter the amount they choose in the override field. They should select the amount on the MN W-4 form.

   iv. If an employee chooses to have extra taxes withheld, that amount would be entered in the Extra field.

f. If your location has opted in for MN Unemployment Taxes, leave the Subject to State Unemployment tax box checked.

g. Enter the information from the Federal W-4 form in the Federal Tax Withholding section.

   i. If a priest or deacon opts not to have federal taxes withheld, enter a zero in the override field.

   ii. If a priest or deacon opts to have federal taxes withheld, enter the amount they choose in the override field. They should select the amount on the W-4 form.

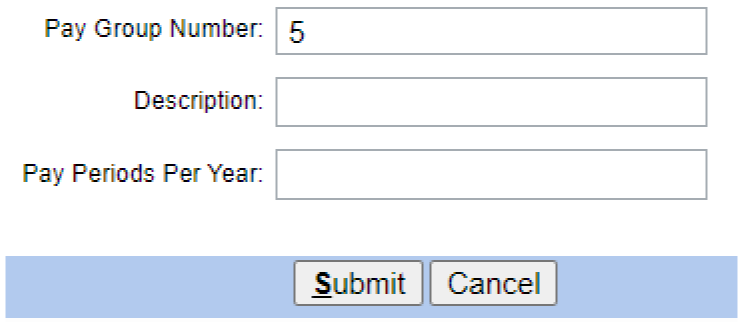
   iii. If an employee puts “exempt” on their W-4 form, Enter a zero in the Override box.

   iv. If an employee opts to have a set amount withheld from each check, it can be entered in the extra withholding box.

h. Enter the pay data.

i. Select a Pay Group. These are added in the Setup, Pay Group

ii. You are able to set the group to the pay periods used by your organization.

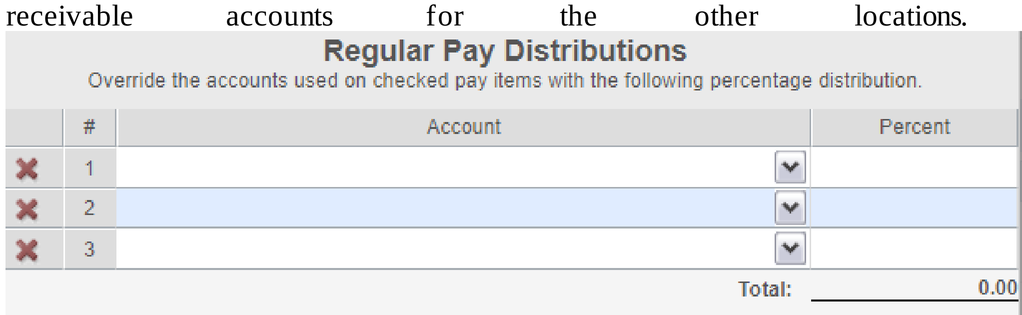


iii. This helps the system calculate Annual pay

iv. Choose whether the employee is Hourly or Salary, Full-Time or Part-Time

v. Enter the Pay Description/Hours/Units, Rate (for non-exempt hourly employees), Pay Period Amount (for exempt employees). The system will calculate the annual amount.

vi. Enter an account number for the employee's pay or a distribution if their pay is distributed to multiple locations. If you check the Use Distribution Box, the regular pay distribution box opens. You can enter account numbers and percentages here. The first account number will be the wage expense account for the organization processing the payroll. The next entries will be accounts receivable accounts for the other locations.



vii. Enter any deductions/benefits for employees as needed. Some examples of deductions are:

1. Health Insurance Benefit
2. Health Insurance Employee Deduction
3. 403b Pension Employer Discretionary
4. 403b Pension Employer Match
5. 403b Employee pension withholding
6. Roth IRA Employee withholding
7. Flex Medical and/or Dependent Care withholding.
8. Supplemental Life Insurance withholding

viii. Nothing is entered on the Accums tab. The system updates this field automatically.

ix. The Personal tab is used to track Vacation, Personal, Sick or other PTO time. It can be set up to accrue the time automatically after each payroll is processed. The time used should be recorded on this tab. This will update the available time on the employee's paystub. **Entering vacation, sick, PTO on the timecard in the payroll process will not update the totals on the paystub.**

x. The Direct Deposit tab is used to add bank information for electronic payments to your employees. They may choose more than one bank account for their distribution.
xi. The system automatically stores information on the Paycheck tab.
xii. Attachments is a great place to upload employee forms and other employee documents for electronic storage.