

Prepare Employee Paychecks For Payroll Plan Subscribers

Important Issues - before creating employee paychecks

- ✓ Employee Time Sheet is required.
- ✓ Payroll Items must be updated or completed before paychecks are created. (see "[Employer Payroll Items](#)")
- ✓ All employee deductions and employer contributions must be entered in the employee data file. See "[Set Up New Employees](#)"
- ✓ Class code is required for salary and payroll expense transactions.

Employee Center

The employee center consolidates all payroll activities, including Create new or edit employee, Pay Employees, Pay Liabilities, and Process Payroll forms for 941/944 and W2/W3.

The screenshot shows the 'Employee Center: Payroll Center (Standard Payroll)' interface. The 'Payroll' tab is active. On the left, there's a 'Subscription Status' box indicating the subscription is active. Below it is a calendar for May 2007. The main area displays a table of payroll activities with columns for Due Date, Status, Payment, Period, and Amount. Several items are marked as 'Overdue'. A 'Related Payment Activities' dropdown menu is open, showing options like 'Edit Payment Due Dates / Methods', 'Adjust Payroll Liabilities', 'Deposit Refund of Liabilities', and 'Create Custom Liability Payments'. A 'Pay Scheduled Liabilities' button is highlighted with an arrow.

Paying the Payroll Liability Checks

If tax or benefit liabilities are not setup as "scheduled payments," you can pay the liabilities as you did in the earlier QB version.

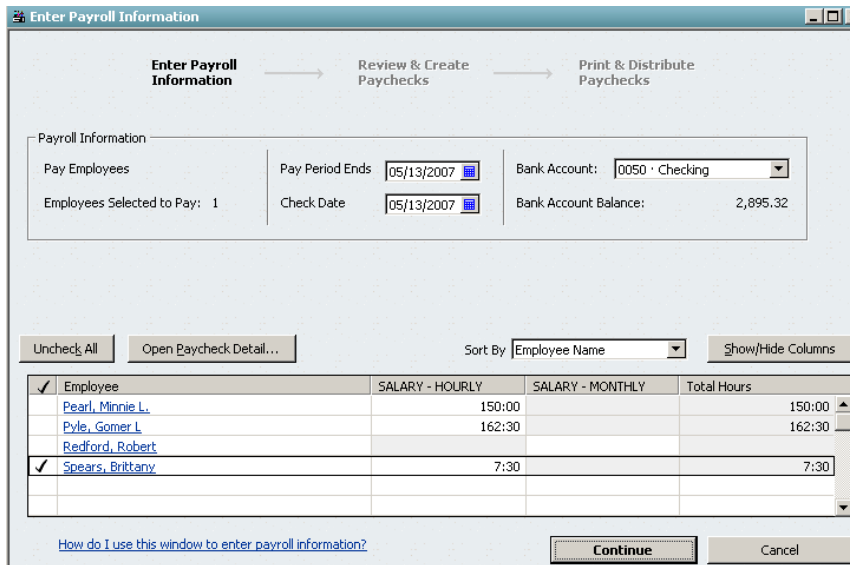
Under Pay Scheduled Liabilities,

- select **Related Payment Activiites.**
- Select **Custom Liability Payments.**

Create Paychecks

1. Select **Pay Employees button** under **Employee Center tab.**

- 2. Enter Payroll Information screen** – review pay period, check date, bank account, and hours worked. **Pay Period Ending Date and Check Date should be the same date!** This will prevent conflicts with the scheduled liabilities screen!
- 3. Select Employees to pay.**
- 4. Click Open Paycheck Detail,** if necessary. (same paycheck screen as in former QB version)

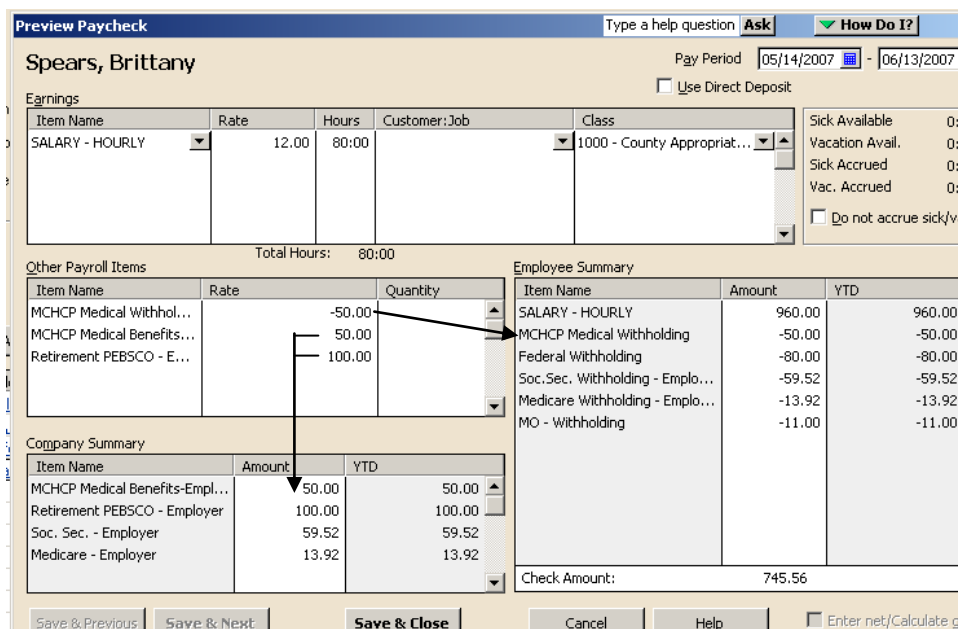


Adjust hours worked when appropriate.

Select **Open Paycheck Detail** button to see details. (same as in former version)

Select **Continue** if paycheck detail is accurate.

Open Paycheck Detail Screen



Benefits are copied from the employee's data file and are displayed under the section, **Other Payroll Items**.

Employee withholding and employer expenses are copied to sections, **Employee Summary** and **Company Summary**.

Benefits Adjustments (Edit Employee Data)

Before creating the next paycheck, employee and employer **benefit adjustments** should be made in the Employee's data file instead of in the Preview Paycheck Screen.

- Select **Employees** from menu bar, Select **Employee Center**
- Select **Employee Tab**
- Select Employee **Name**, Click **Edit Employee** Button.
- Click the down arrow and change to **Payroll and Compensation Info**.
- Make appropriate changes and Save.

5. Review and Create Paychecks. – summary of payroll data.

Caution - Create Paycheck button creates the paycheck transactions!!

The screenshot shows the 'Review and Create Paychecks' window. At the top, there are three steps: 'Enter Payroll Information', 'Review & Create Paychecks', and 'Print & Distribute Paychecks'. The 'Review & Create Paychecks' step is active. Below this, there are sections for 'Payroll Information' and 'Paycheck Options'. The 'Payroll Information' section includes 'Pay Employees' (1), 'Pay Period Ends' (05/13/2007), 'Check Date' (05/13/2007), 'Bank Account' (0050 - Checking), and 'Bank Account Balance' (2,895.32). The 'Paycheck Options' section has two radio buttons: 'Print paychecks from QuickBooks' (selected) and 'Assign check numbers to handwritten checks'. There is also a 'First Check Number' field with the value 6417. Below the options is a table with columns: Employee, Gross Pay, Taxes, Deductions, Net Pay, Employer Tax Contributions, Total Hours, and Direct Dep. The table has one row for 'Spears, Brittany' with values: 240.00, -20.36, 0.00, 219.64, 18.36, 0.00, 40:00. At the bottom, there are buttons for '< Back', 'Create Paychecks', and 'Cancel'. An arrow points to the 'Create Paychecks' button.

This screen displays a **summary of employee payroll data**. You also have another opportunity to review the paycheck detail by selecting the Open Paycheck Detail button.

When you select **Create Paychecks**, you will be creating the paycheck transactions!!

Be certain all payroll details are correct before selecting the Create Paychecks button!!

Paycheck Options

Click **Print paychecks from QuickBooks** to have QuickBooks print the paychecks.

Click **Assign check numbers to handwritten checks** if you're writing your paychecks by hand or sending them to be deposited directly into the employees' account. **Note:** If you use direct deposit to pay your employees, you can leave the **First Check Number** field blank. This field can be used to enter a text memo (for example, DD or EFT), limited to 11 alphanumeric characters, which will print out on your employees' pay stubs. See section, "Direct Deposit-Paychecks" for details.

Direct Deposit – Paychecks

In your offices wants to schedule direct deposits of paychecks with the council's bank, consult with the bank to determine if they offer this service free or for minimal fee. Do not select the Direct Deposit feature in the QuickBooks Preview Paycheck screen.

If you wish to utilize the Intuit Direct Deposit feature, review the procedure, [Direct Deposits](#), section "Intuit (QuickBooks) Payroll Transfer." The **Direct Deposit feature in Quickbooks** Preview Paycheck screen uses the Intuit direct deposit services. Intuit will charge a per-paycheck fee. Visit the [Intuit Direct Deposit web site](#) for latest fee charge.

The screenshot shows the 'Confirmation and Next Steps' window. At the top, there are three steps: 'Enter Payroll Information', 'Review & Create Paychecks', and 'Print & Distribute Paychecks'. The 'Print & Distribute Paychecks' step is active. Below this, there is a confirmation message: 'You have successfully created 1 paychecks: 1 for printing, 0 for Direct Deposit'. There is a 'Learn more' link. Below the confirmation message, there are 'Next Steps' listed: 1) Print your paychecks or pay stubs. 2) Distribute the paychecks to your employees. There are buttons for 'Print Paychecks', 'Print Pay Stubs', and 'Close'.

Payroll – Printing Paychecks

After selecting the Create Paychecks button, the **Confirmation and Next Steps window** displays. You have the option of printing the paychecks immediately, or you can select the Close button to print the paychecks later. Go to **File, Print Forms, Paychecks to print paychecks later**.

Load checks in printer before selecting **Print Paychecks button!**

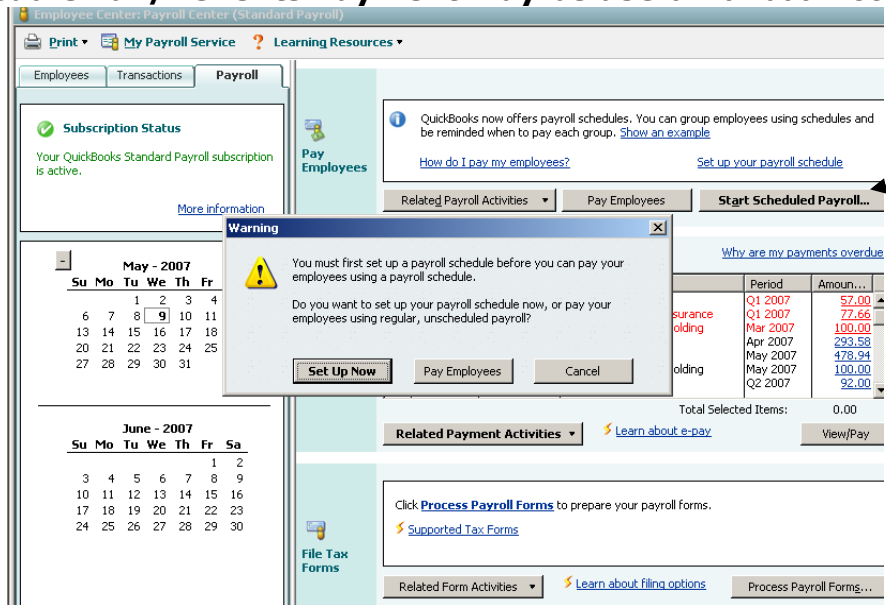
Payroll – Scheduled Payments

Payroll checks and liabilities can be grouped and setup for scheduled payments. If you have employees that are paid bi-weekly and other employees paid monthly, you can create scheduled payments for each group. The schedules may be established during the payroll setup with your regional QB administrator or later in the payroll center.

If you have only one or two employees, the **Scheduled Payroll Check** feature may not be beneficial. However, the **Schedule Tax/Benefits Payment may be useful** for bookkeepers.

Schedule Payroll Check Payment (optional)

- Under **Payroll Tab**, then under **Pay Employees**
- Select **Start Scheduled Payroll button**.
- Select **Set Up Now button**.



New Payroll Schedule

The information you provide will be used to create a payroll schedule. [What is a payroll schedule?](#)
 You can set up multiple payroll schedules if you need to. [Why do I need multiple schedules?](#)

Tell us how you'll be processing payroll using QuickBooks 2007: [How do I set up a payroll schedule?](#)

What do you want to name this payroll schedule? (e.g., "Weekly", "Biweekly", "Monthly", etc)

How often will you pay your employees on this schedule?

What is the pay period end date?

What date should appear on paychecks for this pay period?

What day should appear on paychecks for this pay period?

The following is based on the information supplied above:
 You pay your employees DD days after the pay period end date in this payroll schedule.

Schedule is inactive

Sample of the questions for creating a **Payroll check Schedule**.

Schedule Tax/Benefit Payments (This feature may be useful for bookkeepers)

- Under **Payroll Tab**, then under **Pay Scheduled Liabilities** section.
- Select **Related Payment Activities**.
- Select **Edit Payment Due Dates/Methods**

Employee Center: Payroll Center (Standard Payroll)

Print | My Payroll Service | Learning Resources

Employees | Transactions | Payroll

Subscription Status
Your QuickBooks Standard Payroll subscription is active.

Pay Scheduled Liabilities

Due Date	Status	Payment	Period	Amount
04/30/07	Overdue	MO Withholding	Q1 2007	57.00
04/30/07	Overdue	MO Unemployment Insurance	Q1 2007	77.66
04/30/07	Overdue	MCHCP Medical Withholding	Mar 2007	100.00
05/15/07	Upcoming	Federal 941/944	Apr 2007	293.58
06/15/07	Upcoming	Federal 941/944	May 2007	478.94
06/30/07	Upcoming	MCHCP Medical Withholding	May 2007	100.00
07/31/07	Upcoming	MO Withholding	Q2 2007	92.00

Total Selected Items: 0.00

Related Payment Activities
 Edit Payment Due Dates / Methods
 Adjust Payroll Liabilities
 Deposit Refund of Liabilities
 Create Custom Liability Payments

QuickBooks Payroll Setup

- ✓ 1 Tax Payments
- ✓ 2 Benefit & Other Payments
- ➔ **Schedule Payments**

Review your Benefits and Other Payments

Benefits and Other Payments	Frequency
(EAP) Employee Assistance Prog.	No regular payments scheduled
Delta Dental High	No regular payments scheduled
MCHCP Medical Benefits-Employer	Monthly on the 31st
Other Benefits-Employer	No regular payments scheduled
Retirement-Employer (Jones)	No regular payments scheduled
Retirement Comp - Employer	No regular payments scheduled
Retirement NONE - Employer	No regular payments scheduled
Retirement PEBSCO - Employer	No regular payments scheduled
Retirement PEBSCO -Employer	No regular payments scheduled
Dental (employee)	No regular payments scheduled
Health Insurance (taxable)	No regular payments scheduled
MCHCP Medical Withholding	Monthly on the 31st
Other Benefits Payable	No regular payments scheduled
Retirement PebSCO withholding	Monthly on the 31st
Retirement PEBSCO Withholding	No regular payments scheduled

[Help me decide which payments need schedules](#)

Edit...

- Select **Tax or Benefits Payments**.
- Select appropriate payroll item. (remember also to schedule for **both** employee & employee contributions.)
- Select **Edit** button

Edit DEDUCTION: MCHCP Medical Withholding

Edit the payment schedule for MCHCP Medical Withholding

Payee (Vendor): University of Missouri Benefits [Explain](#)

Account #: 99-999999
(The number the payee uses to identify you. Example: 99-99999X)

Payment frequency: Weekly, on Monday for the previous week's liabilities

Monthly, on the 1 day of the month for the previous month's liabilities

Quarterly, on the 1 day of the month for the previous quarter's liabilities

Annually, on January 1 for the previous year's liabilities

I don't need a regular payment schedule for this item

Example:

- Select appropriate Payment Frequency.
- Select "1" day of the month for the previous month's liabilities.