Payroll at Year-End in QuickBooks Desktop

Presented by: Laura Madeira
Top 10 QuickBooks ProAdvisor
Advanced Certified QuickBooks Desktop ProAdvisor

Presenter – Laura Madeira

info@quick-training.com
www.quick-training.com

- Owner, ACS, Inc., Plano, Texas
- Top 10 QuickBooks ProAdvisors 2014 and 2015
- Author of QuickBooks Training Books and Videos
- Advanced Certified QuickBooks Desktop
- Advanced Certified QuickBooks Online
- Certified QuickBooks Enterprise and Point of Sale
- Intuit Premier Reseller

Topics

1. Access the Client's QuickBooks Data
2. Review Payroll for Accuracy
3. Review the Client's Financials
4. Year-End Payroll Process

1: Access to the Client's QuickBooks Data

Learning Objective:

– Determine the proper payroll subscription needed for you and your client to collaborate on payroll

- On-Site – Which Payroll Subscription?
- Copy of File – Added to your QuickBooks Payroll Subscription
- Confirm Payroll Subscription is Active and Current
- Enter After-the-Fact Payroll Records
- Manual Payroll Option

On-Site: Which Payroll Subscription?

- Basic Payroll
  - Client creates payroll
  - Accountant prepares and file forms

- Enhanced Payroll
  - Client creates payroll
  - Client or accountant prepares and file forms

- Full Service Payroll
  - Client creates payroll
  - Intuit files payroll forms

Accountant: Which Payroll Subscription?

- Enhanced Payroll for Accountants
  - Up to 50 client EIN's
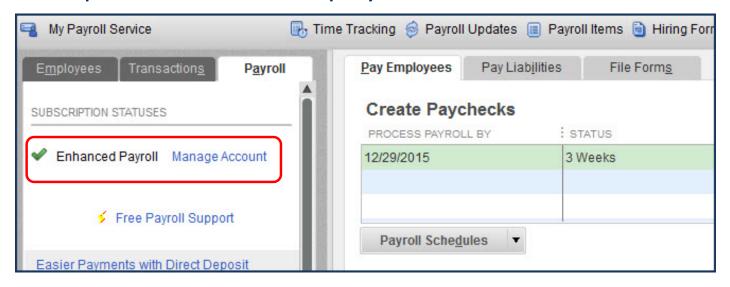 - Prepare payroll at your office

- Intuit Online Payroll for Accounting Professionals
  - Integrates with QuickBooks Desktop
  - Anywhere access/collaboration
  - Wholesale pricing
  - Email alerts

Adding an EIN to an existing payroll subscription:
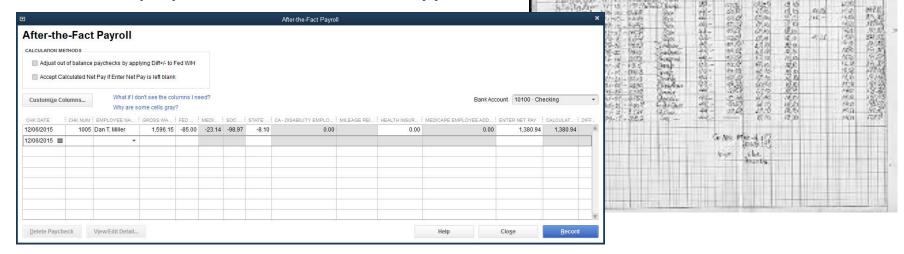http://payroll.intuit.com/support/kb/1000024.html

Confirm Active Payroll Subscription

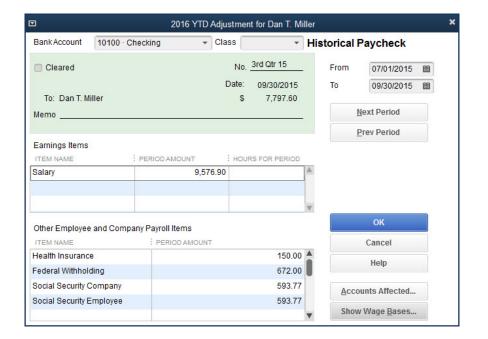- Employees > Payroll Center
- Subscription and status displayed

Enter After-the-Fact Payroll Records

- Included in all QuickBooks Desktop if active payroll subscription
- Efficient method for spreadsheet like entry
- Creates a paycheck transaction type

Manual Payroll Entry Option

- No automation, no state or federal form-fill

- Small business with same paycheck each period

- Startup payroll records

- To access:
  - Help > About QuickBooks
  - Ctrl + Alt + Y

2016 YTD Adjustment for Dan T. Miller

Bank Account 10100 · Checking   Class   **Historical Paycheck**

☐ Cleared   No. 3rd Qtr 15   From 07/01/2015
                                   Date: 09/30/2015   To   09/30/2015
   To: Dan T. Miller $ 7,797.60
Memo _____   Next Period
                                                      Prev Period

Earnings Items
ITEM NAME	PERIOD AMOUNT	HOURS FOR PERIOD
Salary	9,576.90	

Other Employee and Company Payroll Items
ITEM NAME	PERIOD AMOUNT
Health Insurance	150.00
Federal Withholding	672.00
Social Security Company	593.77
Social Security Employee	593.77

OK
Cancel
Help
Accounts Affected...
Show Wage Bases...

Show-and-Tell

- View QuickBooks Desktop payroll subscription offerings

- Confirm status of subscription

- Enter After-the-Fact payroll

- Manual payroll option

2: Review Payroll Accuracy

Learning Objective:

– Identify considerations when reviewing the payroll setup for accuracy in your client's QuickBooks file

- Review Uncleared Payroll Checks
- Verify Payroll Items Accuracy
- Compare Prior Quarter Payroll Reports
- Confirm all Payroll Liabilities are Scheduled
- Properly Adjust Payroll Liabilities
- Correct Payroll Liability Payment Errors
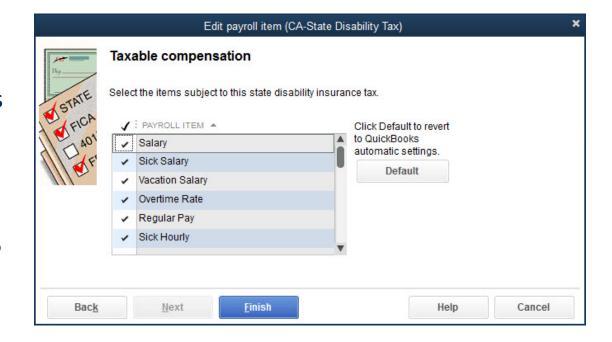
ACS

Review Data for Uncleared Payroll Checks

- Uncleared payroll checks can represent process problems:
  - Duplicate payroll prepared
  - Inaccurate payroll correcting records
  - Replaced lost paychecks without voiding original check

Rock Castle Construction
Custom Transaction Detail Report
All Transactions

Type	Date	Num	Name	Clr	Amount
10100 · Checking					
Paycheck	12/01/2015	10070	Dan T. Miller		-1,325.15
Paycheck	12/01/2015	10071	Elizabeth N. Mason		-890.57
Paycheck	12/01/2015	10072	Gregg O. Schneider		-1,033.99
Paycheck	12/06/2015	1005	Dan T. Miller		-1,380.94
Paycheck	12/15/2015	10073	Dan T. Miller		-1,299.60
Paycheck	12/15/2015	10074	Elizabeth N. Mason		-907.92
Paycheck	12/15/2015	10075	Gregg O. Schneider		-1,033.98
Paycheck	12/15/2015	10076	Dan T. Miller		-1,350.15
Paycheck	12/15/2015	10077	Elizabeth N. Mason		-932.92
Paycheck	12/15/2015	10078	Gregg O. Schneider		-1,062.12
Paycheck	12/15/2015	10079	Gregg O. Schneider		-1,062.12
Total 10100 · Checking					-12,279.46
TOTAL					**-12,279.46**

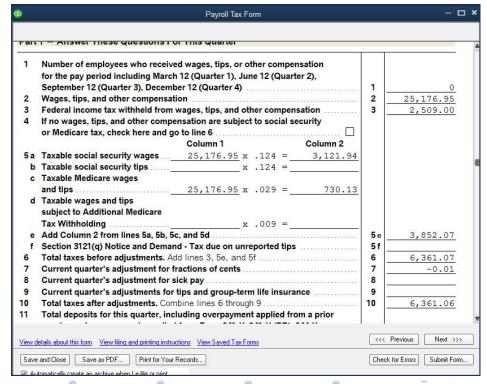# Verify Payroll Item Setup for Accuracy

- Confirm payroll items are setup correctly:
  - Rates are correct
  - General ledger setup is accurate
  - 941 payroll tax treatment is correct
  - Any missing company expense payroll items?

Compare Prior Quarter Payroll Reports

- QuickBooks users can easily change prior period payroll transactions

- Compare filed returns with the same payroll details if the return was prepared today

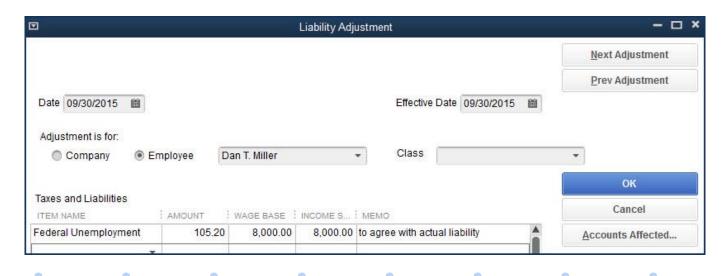- QuickBooks stores previously saved payroll forms

Verify all Payroll Liabilities are Scheduled

- Only Scheduled payroll liability amounts display on the liabilities payment window

- Visual reminder - forgetful client

- Not necessary if no "liability" is incurred, such as allocating overhead costs to payroll

	SEND BY	STATUS	PAYMENT	METHOD	PERIOD	AMOUNT DUE
	01/15/16	5 Weeks	CA Withholding and Disability Insura...	Check	Dec 2015	355.42
	01/15/16	5 Weeks	Federal 941/944/943	Check	Dec 2015	3,812.04
	01/20/16	6 Weeks	Health Insurance	Check	Q4 2015	150.00

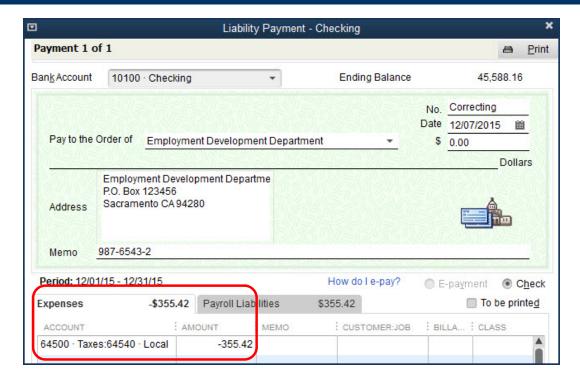Total Selected Items: 0.00   View/Pay

Properly Adjust Payroll Liabilities

- When correcting payroll mistakes, use the proper method to:
  - Correctly affect general ledger and all payroll forms

Correct Payroll Liability Payment Errors

- Compare payroll to general ledger

- Requires that you first determine both accounting sides of the error

- Verify banking first, will help with the rest of the data review

Show-and-Tell

- Review uncleared paychecks
- Payroll item accuracy
- Review prior period payroll totals
- Confirm payroll liabilities scheduled
- Adjust payroll liabilities
- Correct payroll liability payment errors

3: Review Financials

Learning Objective:

– List the reports that are useful when reviewing payroll financials

- Review Payroll Item List

- Financial Reports to Review

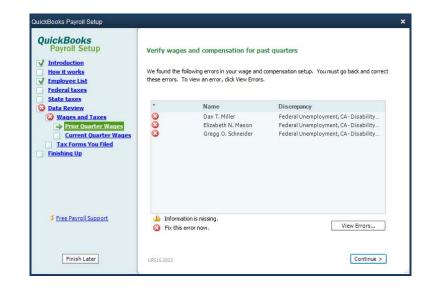- Helpful Excel Payroll Pivot Table Reports

Review Payroll Item List

- Payroll Items control posting to the general ledger

- Customize the Payroll Item List view

- Know the proper tax treatment requirements for each payroll item
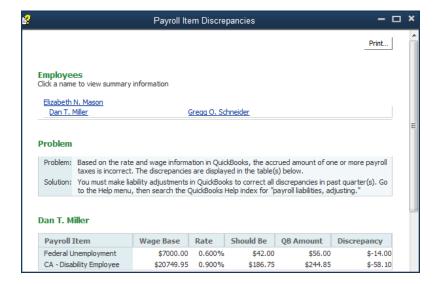
Use the Payroll Checkup Tool

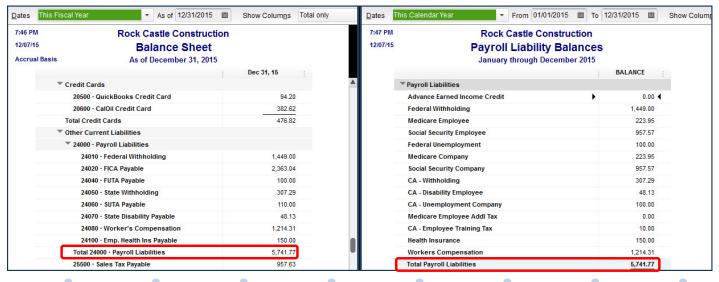- Verify missing information
- Verify calculated totals

- Recommend to run before preparing payroll reporting forms

Financial Reports to Review

- Compare Balance Sheet accounts to Payroll Liability reports

- Compare wage totals and tax totals to company Profit & Loss report

Ready-Made Payroll Pivot Table Reports

- QuickBooks Accountant Desktop software offers a variety of client-ready payroll reports

- Client's have ready-made payroll Excel pivot table reports that can be sent to you

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Employee YTD Summary										Jan 1 - Dec 31, 2015 (last pay on Dec 15)		
2	Employee	Period	Hours	Gross	Fed W/H	Soc Sec	Med Care	Med Care Addl	AEIC	State W/H	SDI	Other	Net Pay
3	Dan T. Miller	MTD	-	6,384.60	-413.00	-395.85	-92.58	-	-	-58.49	-18.84	-50.00	5,355.84
4	333-44-5555	QTD	-	12,769.20	-861.00	-791.69	-185.15	-	-	-132.93	-94.17	-125.00	10,579.26
		YTD	-	43,096.05	-2,989.00	-2,671.96	-624.89	-	-	-486.52	-452.03	-600.00	35,271.65
5													
6	Elizabeth N. Mason	MTD	240.00	3,540.00	-388.00	-219.48	-51.33	-	-	-85.86	-13.92	-50.00	2,731.41
7	569-87-1234	QTD	565.00	8,370.65	-925.00	-518.98	-121.38	-	-	-213.45	-70.92	-125.00	6,395.92
		YTD	2,100.00	31,122.60	-3,446.00	-1,929.60	-451.28	-	-	-807.90	-339.39	-600.00	23,548.43
8													
9	Gregg O. Schneider	MTD	320.00	5,520.00	-656.00	-342.24	-80.04	-	-	-166.94	-32.57	-50.00	4,192.21
10	444-55-6666	QTD	645.00	11,169.40	-1,352.00	-692.50	-161.96	-	-	-347.93	-82.04	-100.00	8,432.97
		YTD	2,180.00	37,777.60	-4,640.00	-2,342.21	-547.78	-	-	-1,208.52	-396.01	-337.50	28,305.58
11													
12													
13													
14	Company Totals	MTD	560.00	15,444.60	-1,457.00	-957.57	-223.95	-	-	-311.29	-65.33	-150.00	12,279.46
15		QTD	1,210.00	32,309.25	-3,138.00	-2,003.17	-468.49	-	-	-694.31	-247.13	-350.00	25,408.15
16		YTD	4,280.00	111,996.25	-11,075.00	-6,943.77	-1,623.95	-	-	-2,502.94	-1,187.43	-1,537.50	87,125.66
17													

Show-and-Tell

- Customizing the Payroll Item List view

- Use the Payroll Checkup Tool

- Comparing business financials to payroll reports

- Using the ready-made payroll pivot table reports
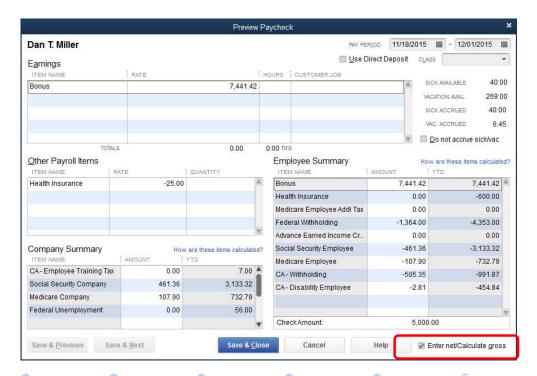
4: Year-End Payroll Process

Learning Objective:

– Identify the process for completing year-end payroll tasks

- Prepare Bonus Net-to-Gross Checks

- Sign up for E-Pay and E-File

- Adjust Reported Totals on Payroll Forms

- Print or E-File Payroll Forms for Federal and State
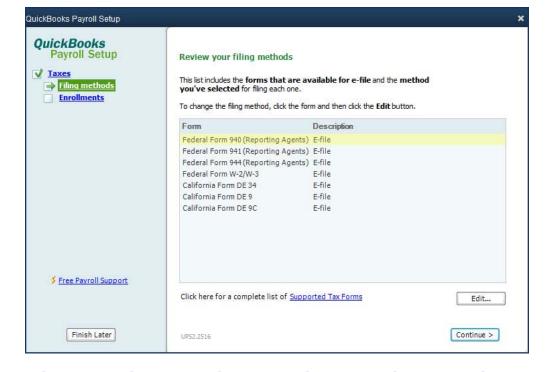
Prepare Bonus – Net to Gross Checks

- Use for Bonus payments

- Requires an active payroll subscription

- Enter the desired net amount and QuickBooks payroll will gross-up the amount per the employee's profile settings

Sign Up for E-Pay and E-File

- Requires EFTPS (Electronic Federal Tax Payment System) access

- Requires sign up within QuickBooks

- Online PIN is mailed (so can be slow)
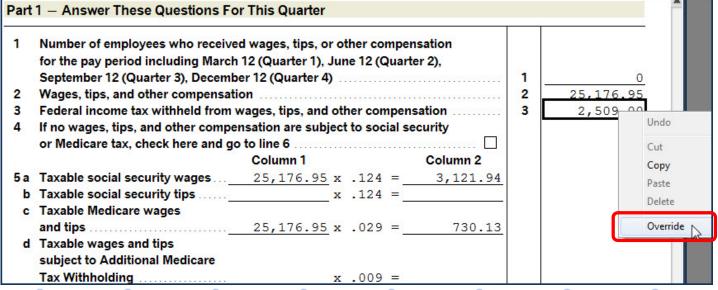
- Can't e-file late returns
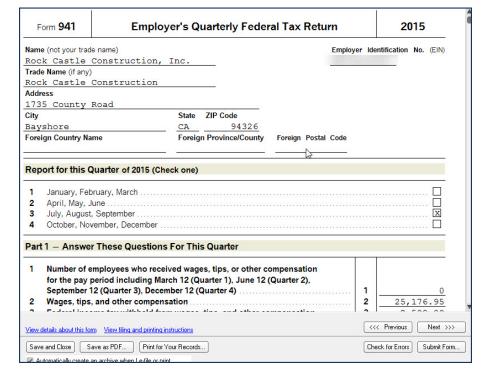
Adjust Reported Totals on Payroll Forms

- Use only as a last resort

- Right-click and select Override

Print or E-File Payroll Forms for Federal and State

- Takes just minutes to complete

- Add your own contact information for the forms

- Check for errors

- Save as a PDF

Show-and-Tell

- Prepare a Bonus Check
- Signup for E-File and E-Pay
- Adjust Payroll Forms
- Print or E-File Payroll Forms

Resources

- Link to Intuit Payroll home page: www.payroll.com
- Link to Intuit Payroll comparison chart: http://payroll.intuit.com/compare/compare-quickbooks-payroll.jsp
- Intuit Enhanced Payroll for Accountants: https://accountants.intuit.com/payroll-payments/payroll-for-accountants/payroll-enhanced-for-accountants/
- E-File and Pay Availability List: http://payroll.intuit.com/support/compliance/quicklist.jsp?cid=VAN_fileandpay
- Adding an EIN to an existing payroll subscription: http://payroll.intuit.com/support/kb/1000024.html

Closing

Laura Madeira
A.C.S., Inc.
Plano, TX

info@quick-training.com
www.quick-training.com