PAYROLL

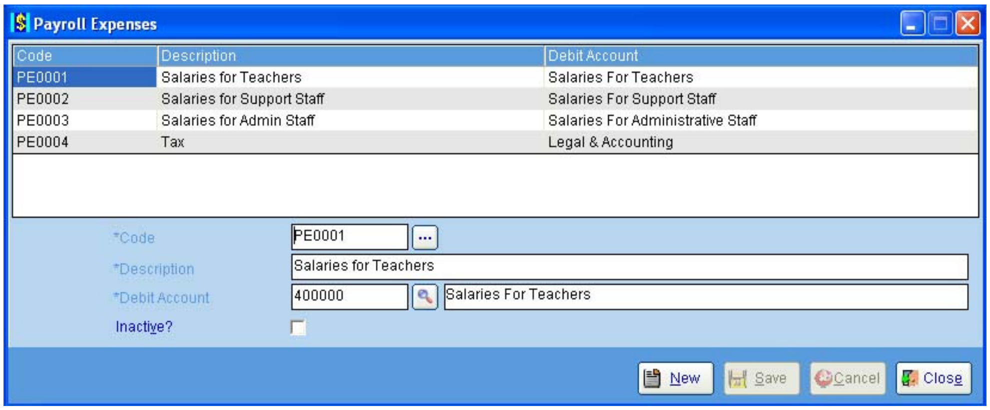
TABLE OF CONTENTS

(Compiled for v 2.12.002)

1. Setup Payroll Expense

Payroll Items can be created to record payroll categories like salary, deductions, bonus, taxes etc. or the various employer expenses incurred during payroll. These payroll categories can also referred as paycheck elements.
Payroll Items are associated with Payroll Expense Accounts to track your company's payroll expenses.

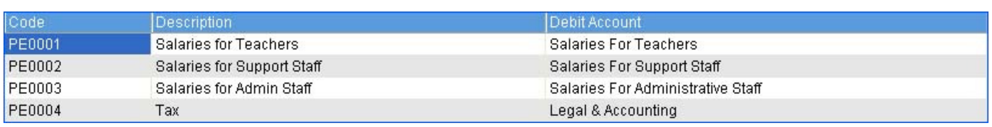
Note: FINACS only records payroll transactions that use payroll items and entities. Take time to create proper payroll items and entities that your business and government needs, so that the creating payroll transactions will become easy.



- Adding New Expense Items
- Finding An Expense Item
- Editing An Expense Item
- Inactivating/Activating Expense Items

Adding New Expense Items:

1. Display 'Setup Payroll Expense' screen from the Payroll menu.
2. All the payroll expense items are displayed in the grid.



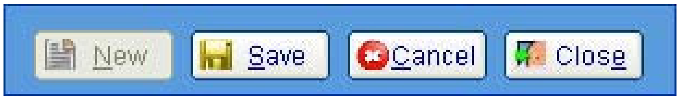
Code	Description	Debit Account
PE0001	Salaries for Teachers	Salaries For Teachers
PE0002	Salaries for Support Staff	Salaries For Support Staff
PE0003	Salaries for Admin Staff	Salaries For Administrative Staff
PE0004	Tax	Legal & Accounting

3. The screen opens in NEW mode with the focus in the CODE field, allowing you to directly create new payroll expense items.
4. Enter CODE. If the code entered is already in use and assigned to a different item, the system will prompt you to enter a new code.
5. Enter DESCRIPTION. You can enter up to 50 characters for description.
6. Payroll Expense Accounts track payroll items that are an expense to your company. Select the expense account from the DEBIT ACCOUNT lookup screen.

7. Click [Save] to record the information.
8. Once created, you cannot delete an Expense Item. However you can make it inactive.
9. Click [Cancel] to abort the creation of new code.
10. Click [Close] to close the form.

Finding An Expense Item:

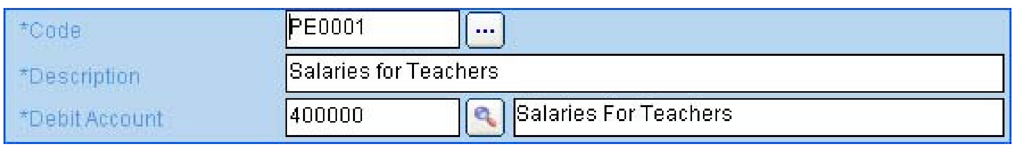
1. Display 'Setup Payroll Expense' screen from the Payroll menu.
2. The screen will open in NEW mode for directly creating new payroll items. Click [Cancel] for VIEW mode.



3. You can find an expense Item details in any of the following methods:
   - The grid displays all the Expense Items in your list. You can scroll through the list to find the code.
   - Also, to sort the list according to Code, Description or Account, click on their respective column headers.
   - If the expense item code is known, then enter in the CODE field and press the {Tab} key to populate its details.

Editing An Expense Item:

1. Display 'Setup Payroll Expense' screen.
2. All the payroll expense items are displayed in the grid. You can scroll through the records to find the code. Refer 'Finding An Expense Item' section on more help on finding a fund.
3. Select on the code in the grid. The payroll expense item details are displayed in the textboxes. Make the required changes.



4. CODE cannot be modified, as it is required to uniquely identify the payroll item.
5. Click [Save] to save your changes or [Cancel] to ignore the changes.
6. Click [Close] to close the form. Closing the form without saving the data will pop up a warning message to save the changes. Click [No] to ignore the changes. Click [Yes] to save the changes and to close the screen and click [Cancel] to go back to the ' Setup Payroll Expense' screen.

Inactivating/Activating Expense Items:

When you make an expense item inactive Finacs stores the information, but hides the code from all the lists i.e. you cannot further use this item in making payroll transactions.

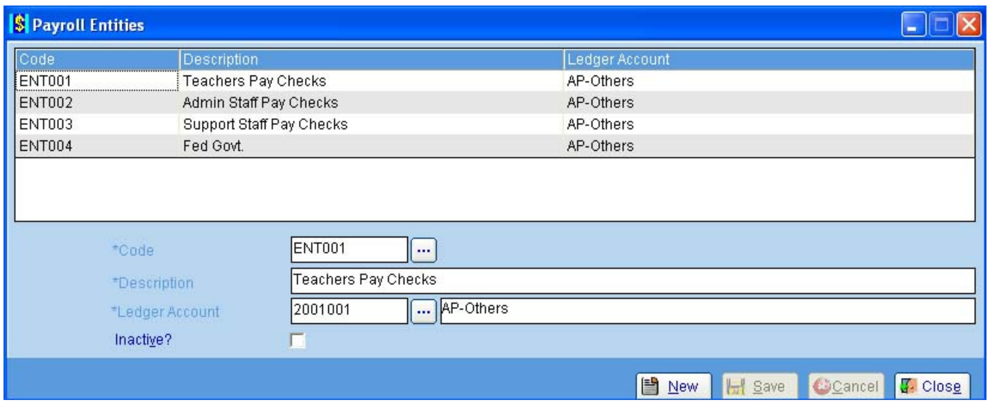
1. Display 'Setup Payroll Expense' screen.
2. Select the expense item to be made inactive.
3. Select the INACTIVE option.

4. Click [Save] to record the changes.
5. You can reactivate the code by selecting the ACTIVE option in this screen.

2. Setup Payroll Entity

Payroll Entities are like departments or sections to which you are liable to pay. FINACS allows you to set up various entities and link transactions to them. For example you can create an entity called Federal Govt. Taxes and assign all the taxes owed to it or create and entity called Staff Salaries and assign the salaries to it.
Each Payroll Entity is associated with a Payroll Liability Accounts that act as short-term accounts that hold the amounts until they are transferred to the proper accounts.

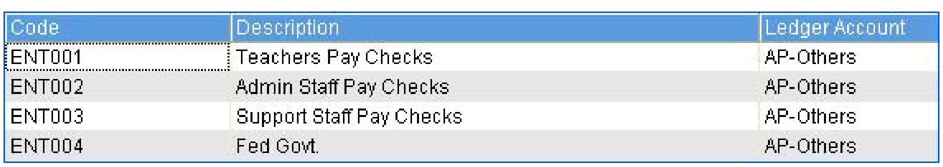
Note: FINACS only records payroll transactions that use payroll items and entities. Take time to create proper payroll items and entities that your business and government needs, so that the creating payroll transactions will become easy.



- Adding New Payroll Entities
- Finding A Payroll Entity
- Editing A Payroll Entity
- Inactivating/Activating Payroll Entities

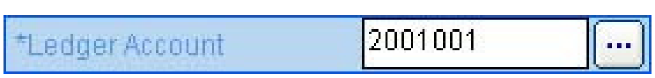
Adding New Payroll Entities:

1. Display 'Setup Payroll Entity' screen from the Payroll menu.
2. All the payroll entities are displayed in the grid.



Code	Description	Ledger Account
ENT001	Teachers Pay Checks	AP-Others
ENT002	Admin Staff Pay Checks	AP-Others
ENT003	Support Staff Pay Checks	AP-Others
ENT004	Fed Govt.	AP-Others

3. The screen opens in NEW mode with the focus in the CODE field, allowing you to directly create new payroll entities.
4. Enter CODE. If the code entered is already in use and assigned to a different item, the system will prompt you to enter a new code.
5. Enter DESCRIPTION. You can enter up to 50 characters for description.
6. Select an account from the LEDGER ACCOUNT lookup screen.



7. Click [Save] to record the information.
8. Finacs displays the entity in the Accounts Payable module as a contact against whom the payments can be made.
9. Once created, you cannot delete a Payroll Entity. However you can make it inactive.
10. Click [Cancel] to abort the creation of new code.

11. Click [Close] to close the form.

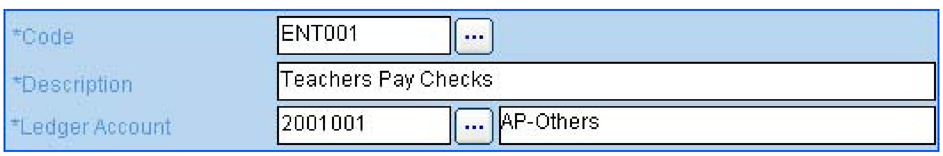
Finding A Payroll Entity:

1. Display 'Setup Payroll Entity' screen from the Payroll menu.
2. The screen will open in NEW mode for directly creating new payroll items. Click [Cancel] for VIEW mode.

3. You can find an entity details in any of the following methods:
   - The grid displays all the payroll entities in your list. You can scroll through the list to find the code.
   - Also, to sort the list according to Code, Description or Account, click on their respective column headers.
   - If the entity code is known, then enter in the CODE field and press the {Tab} key to populate its details.

Editing A Payroll Entity:

1. Display 'Setup Payroll Entity' screen.
2. All the payroll entities are displayed in the grid. You can scroll through the records to find the code. Refer 'Finding A Payroll Entity' section on more help on finding a fund.
3. Select on the code in the grid. The payroll entity details are displayed in the textboxes. Make the required changes.



4. CODE cannot be modified, as it is required to uniquely identify the payroll entity.
5. Click [Save] to save your changes or [Cancel] to ignore the changes.
6. Click [Close] to close the form. Closing the form without saving the data will pop up a warning message to save the changes. Click [No] to ignore the changes. Click [Yes] to save the changes and to close the screen and click [Cancel] to go back to the 'Setup Payroll Entity ' screen.

Inactivating/Activating Payroll Entities:

When you make a payroll entity inactive Finacs stores the information, but hides the code from all the lists i.e. you cannot further use this item in making payroll transactions.

1. Display 'Setup Payroll Entity' screen
2. Select the payroll entity to be made inactive.
3. Select the INACTIVE option.

4. Click [Save] to record the changes.
5. You can reactivate the code by selecting the ACTIVE option in this screen.

3. Create Monthly Transaction

This screen allows you to enter all your payroll transactions taken place. You can group similar items like payroll expenses in a particular month or taxes incurred in a particular month etc, and save them under a single transaction. FINACS only records payroll transactions that use payroll items and entities. Define descriptive payroll items and entities before assigning them to any transactions.

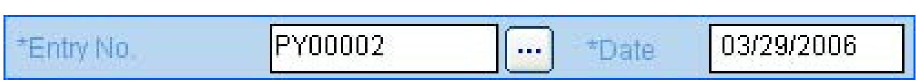
FINACS creates a journal voucher crediting the entity ledger accounts and debiting the expense accounts. These JVs are listed as payments to-be-made against the staff/employees. This is reflected in your balance sheet by crediting the bank accounts and debiting the entity ledger accounts.

- Adding New Payroll Transactions
- Finding A Payroll Transaction
- Editing A Payroll Transaction
- Voiding Payroll Transactions

Adding New Payroll Transactions:

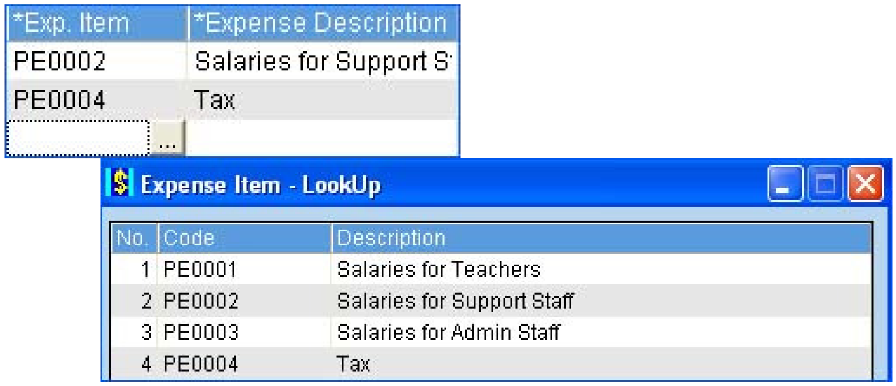
1. Display 'Create Monthly Transaction' screen from the Payroll menu.

2. The screen opens in NEW mode with the focus in the ENTRY NUMBER field, allowing you to directly create new payroll expense transactions.
3. Enter a transaction number in the ENTRY NUMBER field. Payroll Transaction Numbers are unique numbers that are used to distinguish transactions easily.
4. Current date is populated in the DATE field by default. You can edit the date to reflect the date of transaction.



5. Enter remarks for the transaction in the MEMO field. This can be used to store any information describing the current payroll expense transaction.
6. The grid captures the payroll items, entities and the bank accounts from which funds are transferred.
7. Select an Expense Item to which the amount should be debited.

- Click in the EXPENSE ITEM CODE cell for the lookup icon […] to be displayed. Click on the icon to bring up the lookup screen with a list of all your payroll expense items. Select an item and click [Accept].



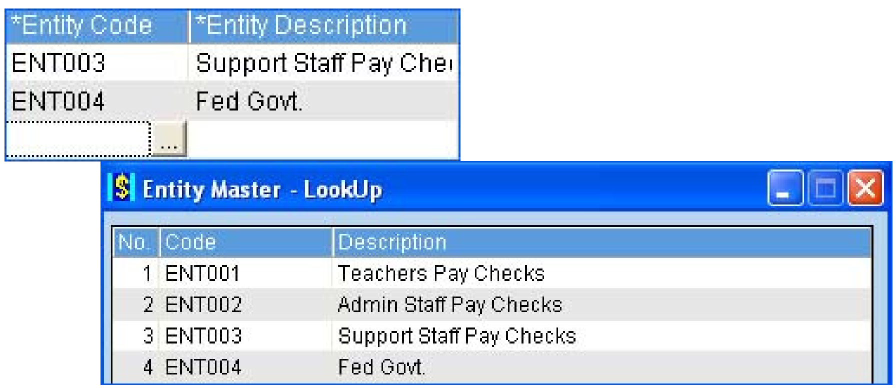
*Exp. Item	*Expense Description
PE0002	Salaries for Support S
PE0004	Tax

Expense Item - LookUp

No.	Code	Description
1	PE0001	Salaries for Teachers
2	PE0002	Salaries for Support Staff
3	PE0003	Salaries for Admin Staff
4	PE0004	Tax

- You can create new payroll items in Payroll > Setup Payroll Expense screen.
- Or, click [Add] in the lookup screen to directly add new accounts. Select the item and click [Accept].

8. Select a Payroll Entity from which, the amount should be credited.
    - Click in the ENTITY CODE cell for the lookup icon […] to be displayed. Click on the icon to bring up the lookup screen with a list of all your payroll entities. Select an entity and click [Accept].



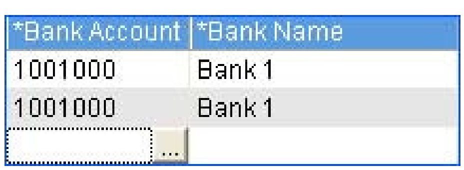
*Entity Code	*Entity Description
ENT003	Support Staff Pay Che
ENT004	Fed Govt.

Entity Master - LookUp

No.	Code	Description
1	ENT001	Teachers Pay Checks
2	ENT002	Admin Staff Pay Checks
3	ENT003	Support Staff Pay Checks
4	ENT004	Fed Govt.

- You can create new payroll entities in Payroll > Setup Payroll Entity screen.
- Or, click [Add] in the lookup screen to directly add new accounts. Select the entity and click [Accept].

9. Select a bank account. This account gets credited when actually making payments against the payroll items.
    - Click in the BANK ACCOUNT cell for the lookup icon […] to be displayed. Click on the icon to bring up the lookup screen with a list of all your bank accounts. Select an account and click [Accept].



*Bank Account	*Bank Name
1001000	Bank 1
1001000	Bank 1

Bank Account - LookUp

No.	Account code	Account Description
1	1001000	Bank 1
2	1001001	Bank 2
3	1001002	Undeposited Checks

- You can create new accounts General Ledger > Setup Accounts > Chart of Accounts screen.
- Or, click [Add] in the lookup screen to directly add new accounts. Select the bank account and click [Accept].

10. Enter Amount. Sum the actual payroll expenses for all your employees and enter the amount here.

*Bank Account	*Bank Name	Amount($)
1001000	Bank 1	15000.00
1001000	Bank 1	200.00

11. You can have different line items in the entered transaction for different paycheck categories. This records more information in once transaction.
12. For example, you can create different payroll items like Basic, Bonus, Taxes etc. and entities relative to these items. Then create different line items like for each payroll items representing the amounts that went towards salaries to employees and amounts that went as taxes to the government etc.
13. If the payments are not paid, do not the ALREADY PAID checkbox. Select the entity in the 'Pay A Vendor' screen and all the payments that are pending are listed. Remember Finacs displays the entity in the Accounts Payable module as a contact against whom the payments can be made. Make the required payments.
14. If you do not wish to make the payment from the 'Pay A Vendor' screen, print the ALREADY PAID checkbox. This automatically creates the payment transaction. The checks can be printed from the 'print Checks' screen for the selected bank.

*Bank Name	Amount($)	Already Paid
Bank 1	15000.00	☑
Bank 1	200.00	☑
		☐

15. Click [Save] to record the transaction.
16. The transaction is saved and the respective accounts are affected. FINACS creates a JV for the saved transaction. You can find the JV number created for the selected transaction next to the DATE field.
17. Click [Cancel] to abort and [Close] to close the form.

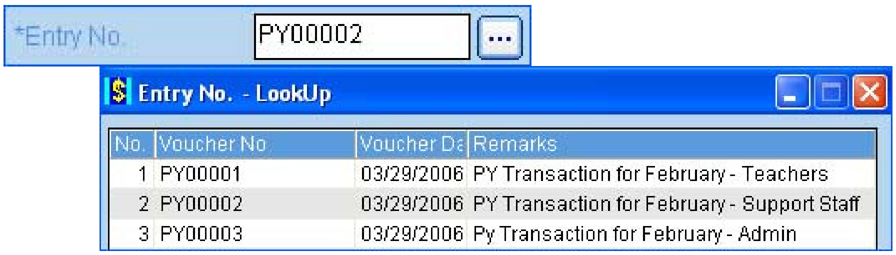
Finding A Payroll Transaction:

You can find a payroll transaction either from the 'Create Monthly Transaction' or from the 'Journal Entries' screen as FINACS automatically creates a JV for each payroll transaction.

1. Display 'Create Monthly Transaction' screen from the Payroll menu.
2. The screen will open in NEW mode for directly creating new transactions. Click [Cancel] for VIEW mode.

3. You can find a transaction in any of the following methods:
   - If the transaction number is known, then enter the number in the ENTRY NUMBER field and press {Tab} key to populate all the transaction details.

   - Else, click the search screen icon next to the ENTRY NUMBER to list all the transactions. Select a transaction and click [Accept].

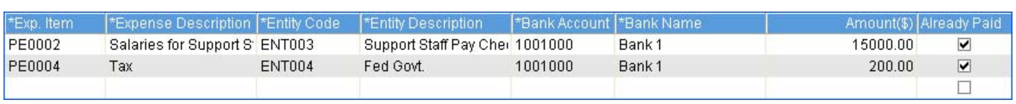


4. Display 'Journal Entries' screen from the General Ledger menu.
5. You can find a journal entry transaction in any of the following methods:
   - If the journal voucher number is known, then enter the number in the JOURNAL VOUCHER NUMBER field and press {Tab} key to populate all the transaction details.
   - Else, click the search screen icon next to the JOURNAL VOUCHER NUMBER to list all the transactions. Select a transaction and click [Accept].

Editing A Payroll Transaction:

You can edit Payroll Transaction details like transaction date, transaction amounts, or accounts and save. Entry Number cannot be edited, as it uniquely identifies the transaction.

1. Display 'Create Monthly Transaction' screen from the Payroll menu.
2. The screen will open in NEW mode for directly creating new transactions. Click [Cancel] for VIEW mode.
3. Select the transaction to be edited either by entering the ENTRY NUMBER or by selecting the transaction from the search screen. Refer 'Finding A Payroll Transaction' section on more help on finding a transaction.
4. All the details for the selected payroll transaction are populated.



*Exp. Item	*Expense Description	*Entity Code	*Entity Description	*Bank Account	*Bank Name	Amount($)	Already Paid
PE0002	Salaries for Support S	ENT003	Support Staff Pay Che	1001000	Bank 1	15000.00	☑
PE0004	Tax	ENT004	Fed Govt.	1001000	Bank 1	200.00	☑
							☐

5. Make the required changes and click [Save].
6. Click [Cancel] to ignore the changes.
7. Click [Close] to close the form. Closing the form without saving the data will pop up a warning message to save the changes. Click [No] to ignore the changes. Click [Yes] to save the changes and to close the screen and click [Cancel] to go back to the 'Create Monthly Transaction' screen.
8. Note that you cannot edit transaction details if viewing from 'Journal Entries' screen.

Voiding Payroll Transactions:

When you void a transaction, further modifications are not possible. Voiding will change the transactions amounts to zero and the corresponding accounts are reverted. You can also void the payroll transaction from the 'Journal Entries' screen.

1. Display 'Create Monthly Transaction' screen from the Payroll menu.

2. Find the transaction to be edited either by entering the ENTRY NUMBER or by selecting the transaction from the search screen.
3. All the details for the selected payroll transaction are populated.
4. Click [Void].

5. Voiding will change the transaction amount to zero and the corresponding accounts are reverted.