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| *horizontal-logoCounty Accounting Manual* **Prepare Employee Paychecks**  **For Payroll Plan Subscribers** | Contents: [Important Issues](#Issues)  [Employee Center](#Center) [Direct Deposit](#Direct)  [Print Paychecks](#Printing)  [Schedule Payments](#Schedule) |

**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](http://extension.missouri.edu/acctmanual/Payroll/Employer_Payroll_Items.pdf)*”)*
* All employee deductions and employer contributions must be entered in the employee data file. See *“*[Set Up New Employees](http://extension.missouri.edu/staff/fiscal/documents/QuickBooks/Payroll/SetUp_Employees.pdfhttp:/extension.missouri.edu/staff/fiscal/documents/QuickBooks/Payroll/SetUp_Employees.pdf)”
* Class code is required for salary and payroll expense transactions.

**Employee** **Center**

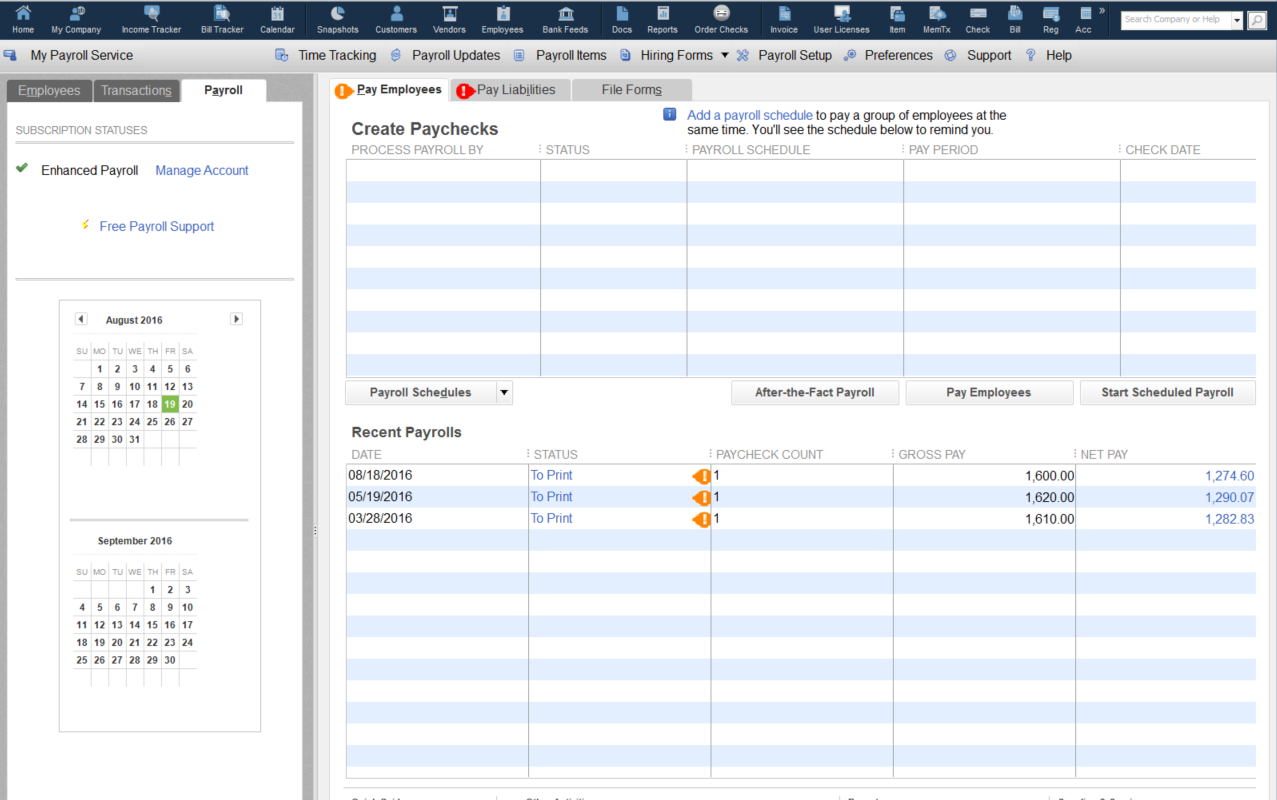
The employee center consolidates all payroll activities, including Create new or edit employee, Pay Employees, Pay Liabilities, and Process Payroll forms for 941/944 and W2/W3.

**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.

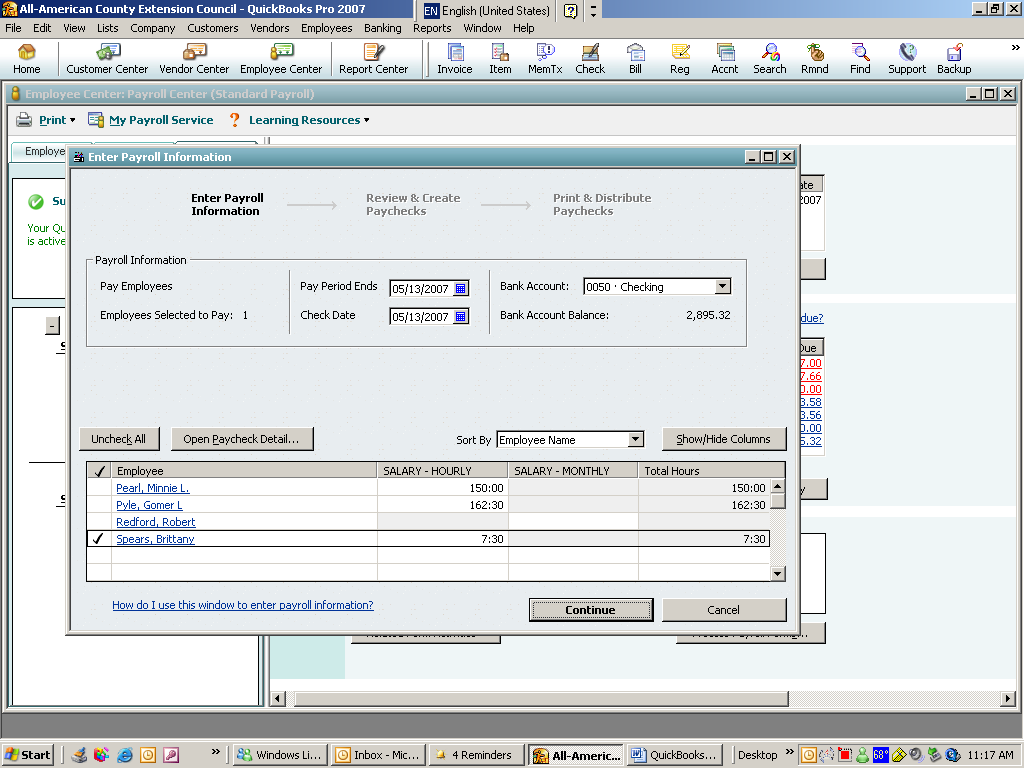
Under Pay Scheduled Liabilities,

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

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**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)

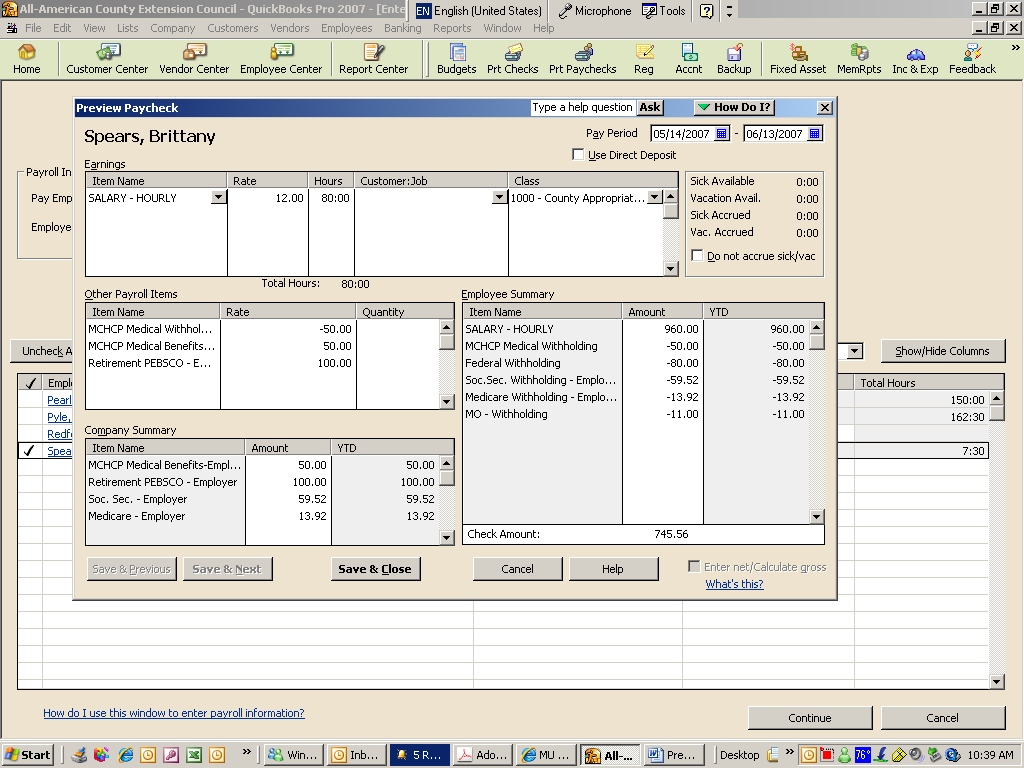


Adjust hours worked when appropriate.

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**.

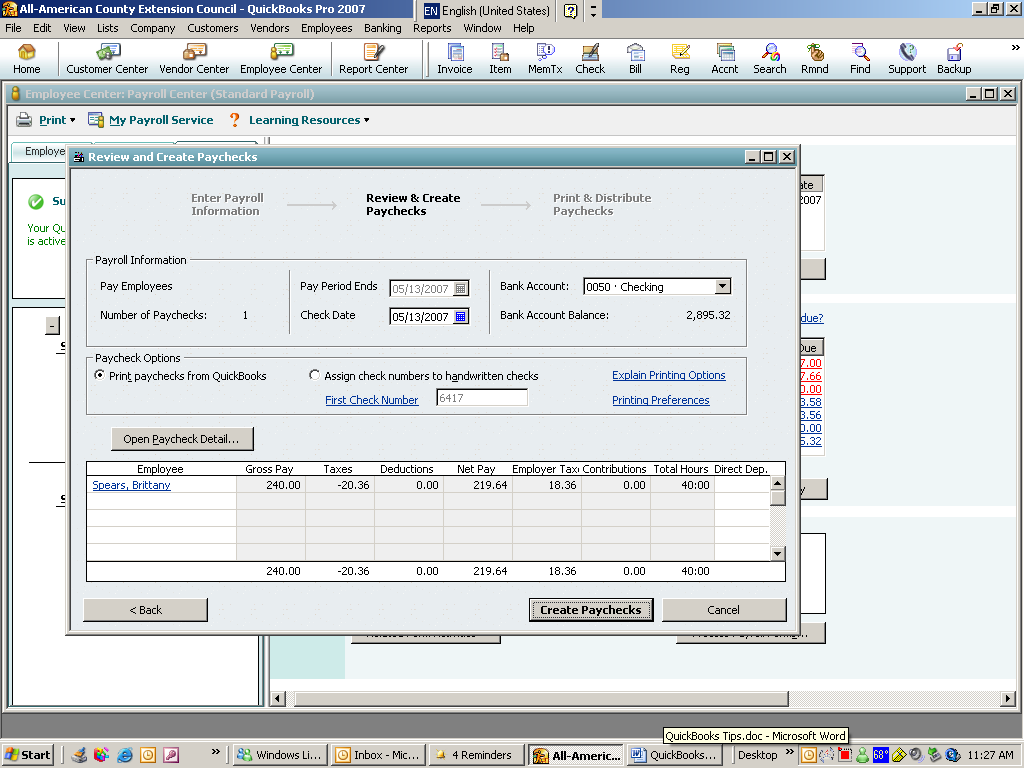
Employee withholding and employer expenses are copied to sections, **Employee Summary** and **Company Summary**.

**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.

1. **Review and Create Paychecks**. – summary of payroll data.  
   **Caution - Create Paycheck button creates the paycheck transactions!!**



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**

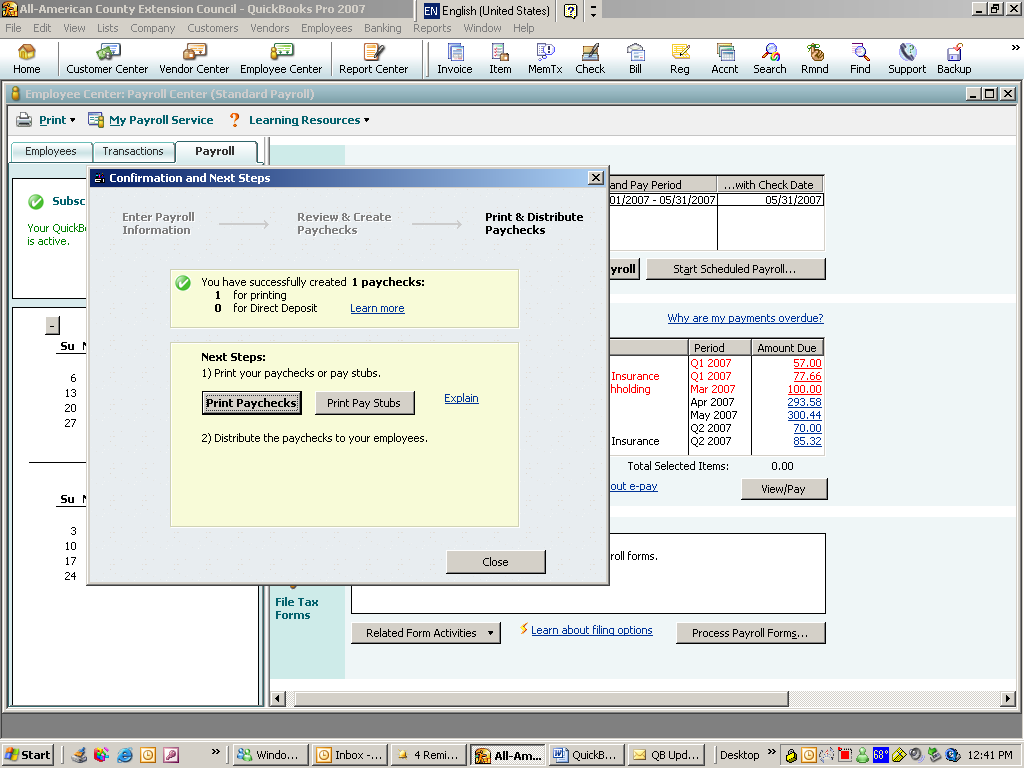
Click **Print paychecks from QuickBooks** to have QuickBooks print the paychecks.

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](http://extension.missouri.edu/acctmanual/Deposits/Direct%20Deposits.pdf), 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](http://payroll.intuit.com/payroll_services/direct_deposit/index.jsp?cid=ppc_google_payroll&priorityCode=1184706329&sc=SAP-COM-GGL_quickbooks_payroll_direct_deposit_sid_13013952-1184706329) for latest fee charge.



**Payroll –** **Printing Paychecks**

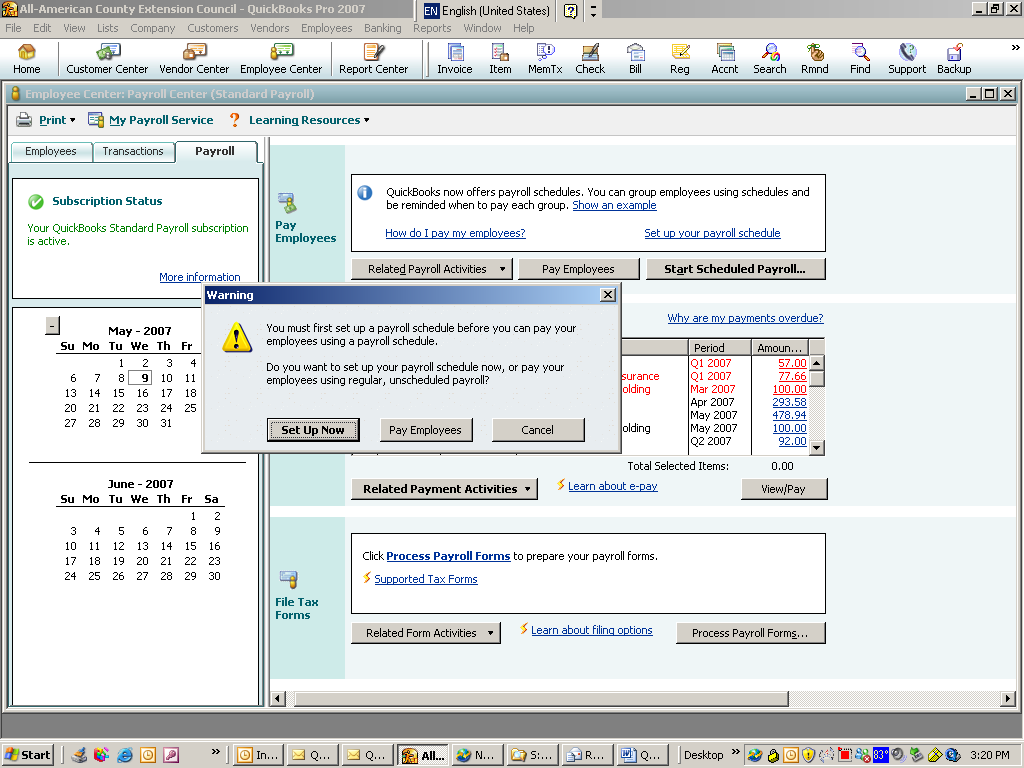
After selecting the Create Paychecks button, the **Confirmation and Next Steps window** displays. You have the option of printing the paychecks immediately, or you can select the Close button to print the paychecks later. Go **to File, Print Forms, Paychecks to print paychecks** **later.**

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

**Payroll –** **Scheduled Payments**

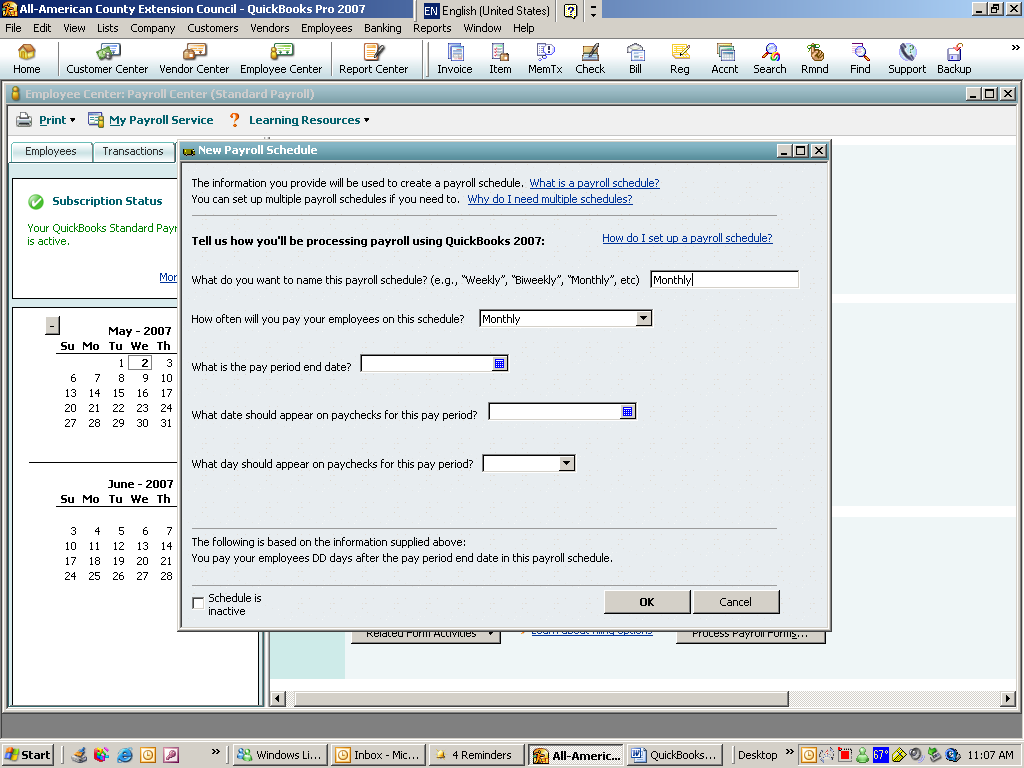
Payroll checks and liabilities can be grouped and setup for scheduled payments. If you have employees that are paid bi-weekly and other employees paid monthly, you can create scheduled payments for each group. The schedules may be established during the payroll setup with your regional QB administrator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

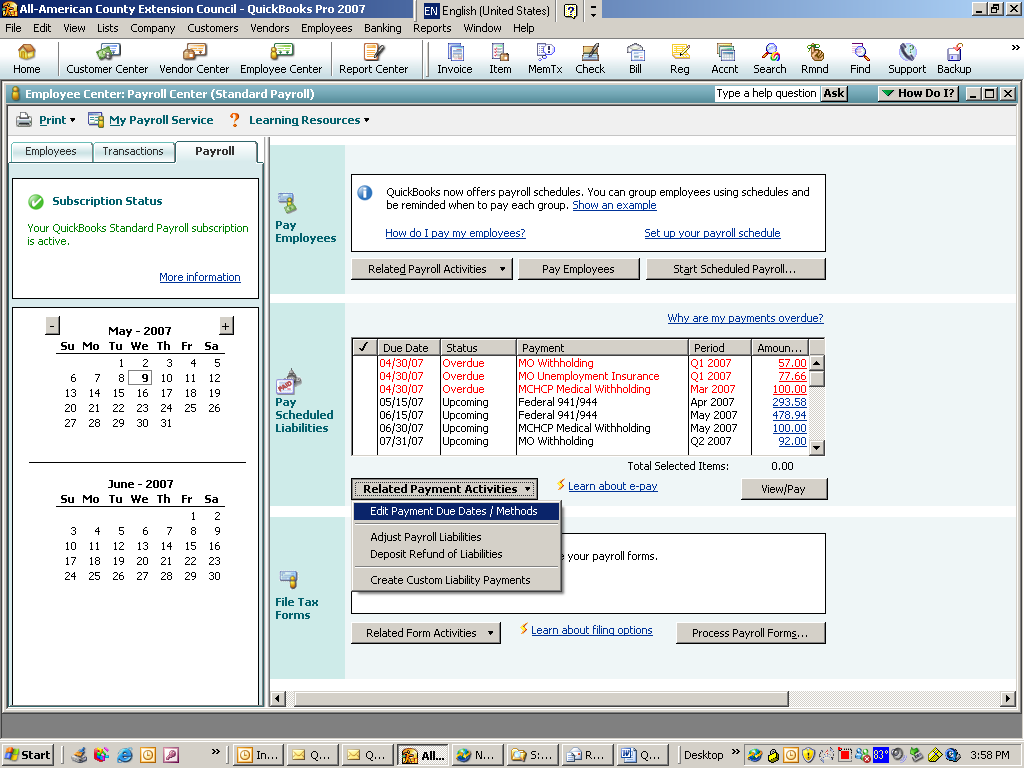


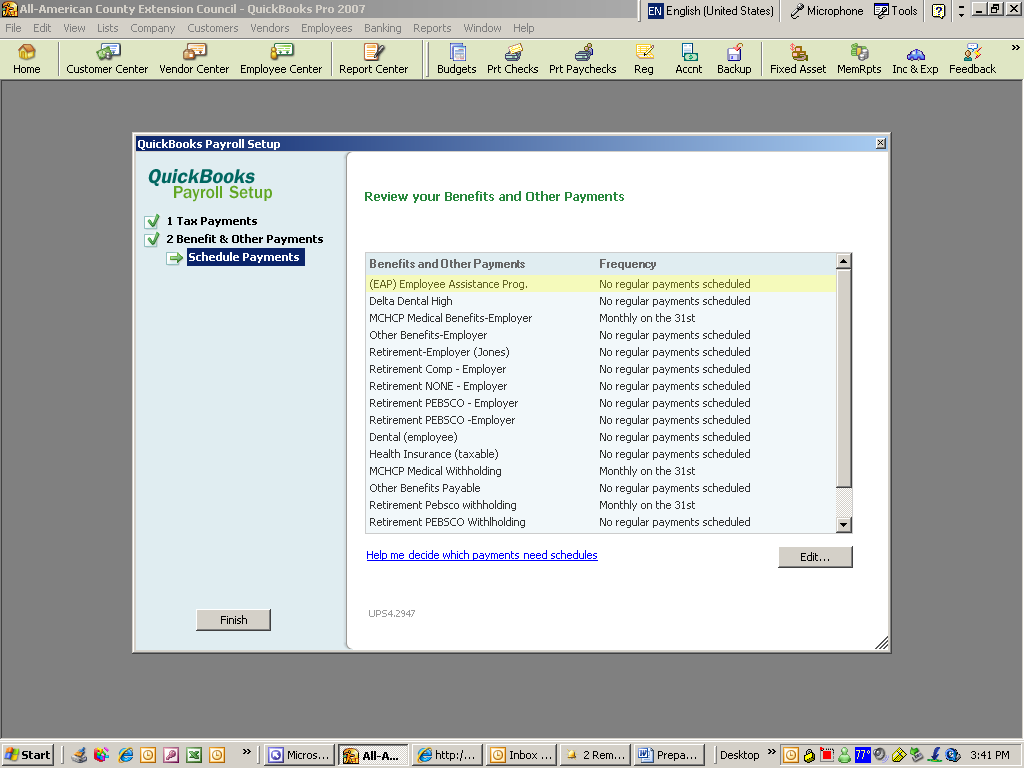
Here is a sample of the questions for creating a **Payroll Check Schedule.**

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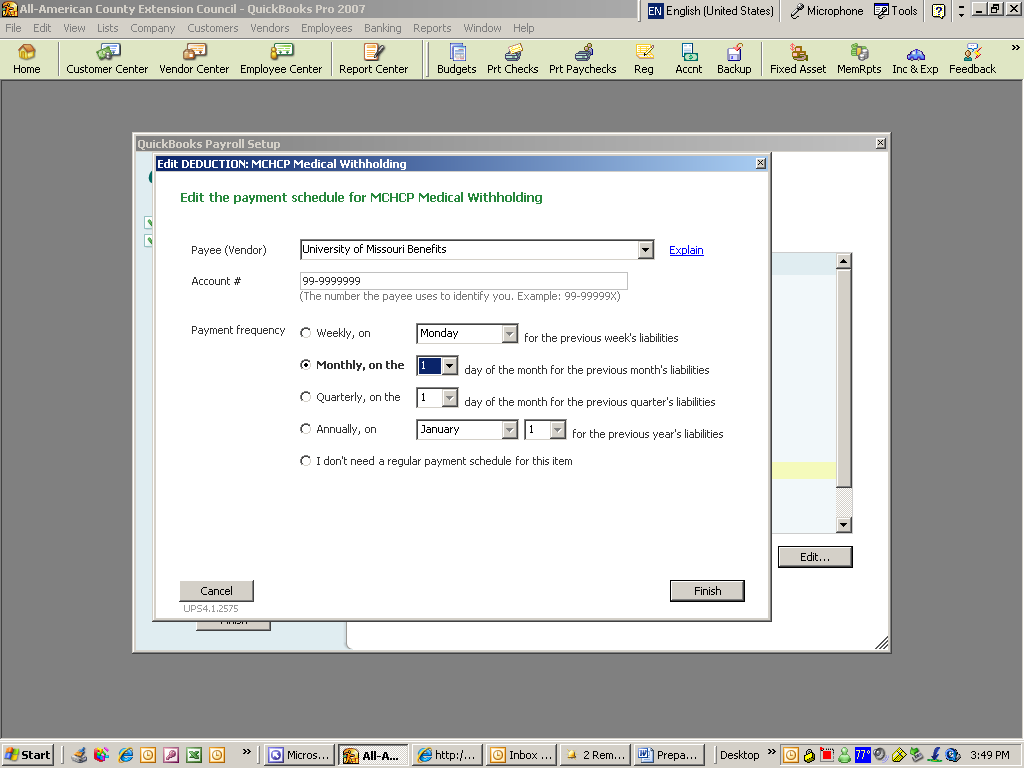
**Schedule Tax/Benefit Payments (This feature may be useful for bookkeepers)**

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





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



Example:

* Select appropriate Payment Frequency.
* Select “**1**” day of the month for the previous month’s liabilities.