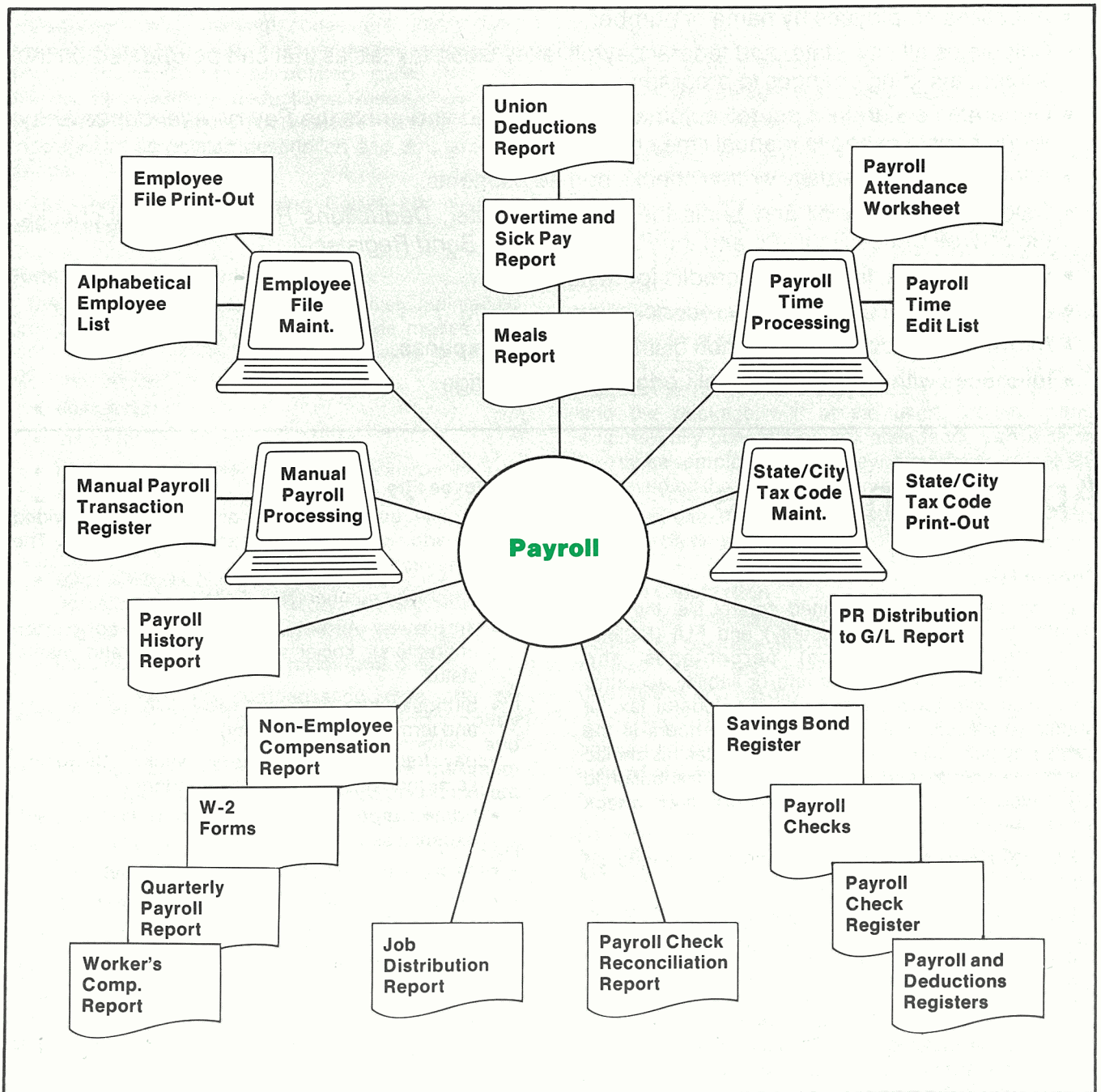


PAYROLL—Release 2

in Texas Instruments COBOL (ANSI '74)



Application Overview

This package handles both hourly and salaried employees, and includes the following capabilities:

- Accesses all features through convenient menus.
- Displays function key options on the screen, and allows their use to simplify processing.
- Comes with a complete *User's Manual* for operators to use.
- Runs nearly all reports in background, so the terminal is free for other use.
- Prints information displayed on the screen at the touch of a button.
- Displays all reports on the terminal for immediate inquiry.
- Has full multi-user and multi-company capability.
- Accesses employees by name or number.
- Calculates all city, state, and federal payroll taxes using tax tables that can be updated on the screen, avoiding changes to programs.
- Generates a standard payroll automatically if desired and prints the *Payroll Attendance Entry Worksheet* to expedite manual time entry.
- Allows entry of manually written checks and adjustments.
- Calculates the payroll and prints the *Payroll Register*, *Deductions Register*, payroll checks, the *Payroll Check Register*, and the *Payroll Savings Bond Register*.
- Handles meals, tips, and tip credits for restaurants.
- Allows optional payroll check reconciliation.
- Allows use of job numbers when distributing labor expense.
- Interfaces with MCBA's General Ledger (G/L) package.

Application Details

Control File

In the interactively-maintained control file, the user defines the FICA (Social Security) and FUI (Federal Unemployment Insurance) percentages and maximums, the G/L expense and/or liability accounts associated with each type of earning, federal tax, or voluntary deduction, and the number of hours in the user's pay period(s). The user also indicates his choice whether to include modules to allow labor distribution to G/L accounts and/or jobs, and whether check reconciliation modules are to be used.

Federal tax withholding tables can be changed on the screen, avoiding program modification.

Up to six vacation accrual codes, and up to four sick pay accrual codes can be defined by the user to automatically track vacation and sick time due each employee.

The user-defined G/L account number format may have up to five digits for the main account and up to five digits for the subaccount number, which may be used to designate profit centers or departments.

Employee File

Complete employee file maintenance is provided through add, change/inquire, and delete modes. The employee record includes:

- employee number (four digits)
- employee name, address, ZIP code (ten characters), social security number, and marital status
- birthdate, hire date, last raise date, review date, and termination date (if any)
- pay frequency code (daily, weekly, bi-weekly, semi-monthly, monthly, and quarterly)
- home department number and default G/L expense account for employee's wages
- salary amount (salaried employees only)
- usual number of hours worked per pay period
- three hourly rates (regular, overtime, and special)
- vacation and sick pay accrual codes, hours due, and hours paid
- various information for tax calculation, voluntary deductions, EIC (earned income credit), and worker's compensation
- term life insurance premium paid by employer

- appropriate periodic, quarterly and year-to-date figures

Each employee may be assigned values for the four fixed voluntary deductions (savings bond, union dues, loan, and garnishee), plus any six of the other user-defined deductions/earnings. A frequency code is assigned to each deduction/earning in the employee record, indicating how often it is to be automatically deducted or paid. The union dues can be a fixed amount, a rate per hour, or a percentage of gross wages.

The *Employee File Print-Out* and *Alphabetical Employee List* may be printed on request.

Deduction and Earning Codes

Deduction and earning codes are interactively maintained through add, change/inquire, and delete modes. Hundreds of user-defined codes may be defined for voluntary deductions, meals, tips, and miscellaneous taxable or non-taxable earnings. Each code has an associated description and G/L account number.

The *Deduction and Earning Codes List* may be printed on request.

State and City Tax Tables

State and city tax codes are interactively maintained through add, change/inquire, and delete modes. The user enters the following data for each state or city for which payroll taxes are to be calculated:

- description of tax code
- tax payer ID number
- income tax withholding G/L liability account
- SUI (state unemployment insurance) percent, maximum, and G/L expense and liability accounts
- other state tax (such as state disability insurance) percent, maximum, and G/L liability account
- supplemental pay withholding tax percentage
- state minimum wage (for restaurants only)

Complete worker's compensation data can be entered, including calculation method, policy anniversary date, employer experience modifier, and G/L expense and liability accounts. The maximum amount of wages during a user-specified period that are subject to worker's compensation can be entered.

Any number of tax tables, with up to 16 rate brackets each, can be entered for each state or city code, with a choice of calculation method, and a wide variety of calculation modifiers. The *State/City Tax Codes File Print-Out* may be printed on request.

Payroll Preparation

A *Payroll Attendance Entry Worksheet* may be printed on request to assist in actual time entry. Blanks are provided for employee hours, temporary deductions, temporary earnings, and distribution of

labor expenses.

Hourly and salaried employees may be processed together or separately. The package allows interactive entry and editing of payroll attendance transactions, with optional distribution of wages by hours or percentage, to G/L expense accounts and/or to jobs. The data entered is:

- employee number or partial name (gives automatic display of full employee name and number)
- salary or regular hours (defaults to base pay for salaried, and usual number of hours for hourly employees)
- overtime, special, vacation, holiday, and sick-pay hours (allowed for both salaried and hourly employees)
- up to three one-time deductions or earnings
- number of weeks of advance vacation pay
- number of weeks worked
- amount of any supplemental pay (such as bonuses or commissions)

Up to four full weeks of advance vacation pay may be paid to an employee. Any attempt to overpay vacation time or pay a terminated employee results in a warning message.

Distribution of labor expense for salaried employees can be automatically adjusted for vacation, sick, and holiday pay. The user can specify which pay frequency(s) to pay, and any holidays in the pay period, and the package will, at the user's option, either automatically generate payroll attendance transactions for those employees, or they may be sequentially displayed on the screen for easy entry of changes.

Before calculating the payroll, the *Payroll Time Edit List* may be printed on request.

Payroll Calculation

After all attendance transactions are entered and edited, the package automatically calculates gross pay, federal, state, and city taxes, EIC, any voluntary deductions, and net pay.

Federal, state, and city taxes may be set to a fixed amount associated with each selected employee, instead of using the standard calculation methods.

After calculating the payroll, the *Payroll Time Register* is printed with departmental totals. The *Payroll Register* is automatically printed showing the gross amounts for different types of pay, FICA, federal, state, and city taxes for the current period and year-to-date. EIC, total voluntary deductions, and net pay for the current period for each employee are also printed, with summary totals for each department. The detail of the voluntary deductions taken for each employee is shown on the *Deductions Register*.

Check Printing

Payroll checks may be printed for any range of

employees and any range of departments. Checks in the MCBA format are available from major business form suppliers. Check printing can be restarted from any point if necessary, and the voided checks are automatically recorded. The check amount is printed in both words and numbers.

After printing checks, the *Payroll Check Register* is automatically printed, showing each check number, date, amount, and payee's name. The *Payroll Savings Bond Register* is printed, showing each employee's balance.

Payroll Adjustments

Adjustments to the payroll can be made to modify each employee's quarterly or year-to-date figures, and change G/L or job distributions of labor expense. Handwritten checks can be entered or computer generated checks can be reversed out. Adjustments and manual checks create an audit trail called the *Manual Transaction Register*.

Check Reconciliation

Payroll checks may be reconciled and the *Payroll Check Reconciliation Report* may be printed, showing paid and/or unpaid checks through any reconciliation date.

Job Distribution

Job numbers and descriptions may be maintained, and the *Job Distribution Report* may be printed showing payroll expenses by job number for any range of jobs and dates. If expenses are distributed to jobs in MCBA's Accounts Payable package, they will also appear on this report.

Useful Employee Reports

The *Payroll History Report* prints the earnings, taxes, and deductions for each check for each employee within any specified time period and any range of employees.

The *Union Deductions Report*, for each union G/L account number, shows each applicable employee's hours, gross pay, and the amount deducted within the selected time period.

The *Overtime and Sick Pay Report* may be printed, showing hours and dollars for each employee period-to-date, quarter-to-date, and year-to-date. Totals and averages are shown for each department and the company as a whole.

The *Non-Employee Compensation Report* shows the name, address, Social Security number, and amount paid to individuals who are not employees.

The *Worker's Compensation Report* shows the eligible wages and premium due for each employee, with subtotals for each worker's compensation code and totals for each state.

The *Quarterly Payroll Report* can print all necessary information directly on a standard 941A continuous form, separating federal tax information from each state and city. W-2 forms are printed with regulation subtotalling on continuous W-2 forms.

Special Functions

Additional features include the following:

- Whenever an employee number is needed, the user may type the first few letters of his name. The user may then choose the correct employee from the list of possible names displayed on the screen.
- To help assure data entry accuracy, a list of valid G/L account numbers and their descriptions is maintained interactively.
- A menu selection will set the period-to-date, quarter-to-date, or year-to-date fields to zero. The period length is at the user's discretion.
- An interactive module is used to create and define the size of the initial data files.
- As this is a multi-company package, the name of the company being processed appears in the upper right-hand corner of the screen.
- Descriptive and easily understood error messages are displayed in response to invalid input.
- Editing keys can be used to correct all fields, to avoid retyping.
- Reports may be printed immediately or spooled on disk for later display or printing of one or more copies.

Coding Standards and Documentation

Complete source code is provided. It is written using Warnier-Orr structured coding techniques. Extensive use is made of copy library modules to make modification easy. The paragraph and data names are descriptive, taking maximum advantage of COBOL's self-documenting feature.

The *Software Reference Manual* contains all the necessary technical information for the programmer or installer. The easy-to-understand *User's Manual* guides the operator with both overviews and details for each function. File Load Sheets are included to expedite data entry.

Each manual is provided in a neat three ring binder with convenient thumb tabs.

Interfaces to Other MCBA Packages

The distribution of all payroll activity to G/L account numbers is automatically recorded for later interface to MCBA's General Ledger package. The *Payroll Distribution to General Ledger Report* may be printed on request in either detail or summary format and the G/L distributions may be purged through a cut-off date if the automatic G/L interface is not desired.