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**ADVANCED
SAGE 50**

TEACHUCOMP, INC.

...it's all about you

ADVANCED SAGE 50

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INTRODUCTION AND OVERVIEW

Welcome to TeachUcomp, Inc.'s Advanced Sage 50 course. This class expands the student's skills in using Sage 50, one of the most popular accounting and bookkeeping programs available today. This class is designed to give the student with basic knowledge of the program's capabilities an enhanced skills set in using the product.

Sage 50 is a terrific program to learn, as the skills that we learn in Sage 50 can save valuable time and money by automating, organizing and structuring the bookkeeping of your company.

Sage 50 is a multi-featured accounting and bookkeeping program in which you can create invoices, statements, pay your bills, write checks, track inventory, and manage your payroll along with other services.

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CHAPTER 9-

PAYROLL

9.1- ADDING EMPLOYEES

9.2- ADDING EMPLOYEE BEGINNING BALANCES

9.3- PERFORMANCE REVIEWS AND RAISE HISTORY

9.4- PAYING A GROUP OF EMPLOYEES

9.5- PAYING AN EMPLOYEE

Sample - for evaluation purposes only!

PAYROLL

9.1- Adding Employees:

Before you can issue a paycheck to an employee, you must have the employee entered into Sage 50. You looked at the process of setting up payroll and entering the employee defaults back in Chapter 2. Now you will learn how to create the individual employee records. To add an employee in Sage 50, select “Maintain| Employees/Sales Reps...” from the Menu Bar to open the “Maintain Employees & Sales Reps” window. You use this window to add new employees and edit employee information. If needed, to add a new employee, click the “New” button in the window’s toolbar.

The screenshot shows the Sage 50 "Maintain Employees & Sales Reps" window. The "General" tab is active, displaying the following information for an employee:

- Employee ID:** ACHESTER
- Name:** Amanda W Chester, Suffix Mandy
- Status:** Employee (selected), Inactive (unchecked)
- Address:** 4599 West Paces Ferry Road
- City, ST, Zip:** Atlanta GA 30328
- Country:** [Empty]
- E-mail:** achester@sample.sage.com
- Social Security No.:** 111-22-1337
- Home phone:** 404-555-7447
- Work phone:** 770-724-4984
- Mobile phone:** 770-555-9874
- Type:** ADMIN
- Employee Beginning Balances:** [Empty]

The "Customizable Fields" section at the bottom contains five numbered fields:

1. Spouse
2. Birthday (30-Jul)
3. Special Note
4. [Empty]
5. [Empty]

At the top of the window, enter the ID to assign to the employee into the “Employee ID” field. Then type the first name, middle initial, last name, suffix and nickname of the employee into the five corresponding fields to the right of the “Name” label. Then select the option button for the employee’s status: “Employee,” “Sales Rep,” or “Both.” If you select “Employee,” the individual appears on employee-related reports and the “Payroll Entry” window. If you select “Sales Rep,” they appears in the Sales Rep drop-down and on Accounts Receivable sales rep reports. Paychecks cannot be issued to these people. “Both” allows for both aspects at once. To make an employee record inactive after it has been entered, you can check the “Inactive” checkbox to the right.

To view basic employee information, click the “General” tab. Enter the employee’s address into the “Address” fields. Then enter the “City, ST Zip” into the three fields to the right of the label with the same name. Enter the country of the employee into the “Country” field.

Below the address, enter the employee’s primary e-mail address into the “E-mail” field and enter their secondary e-mail address into the “E-mail 2” field.

At the top of the next column of fields, enter the employee’s “Home phone,” “Work phone” and “Mobile phone” numbers into the three fields of the same names. Enter the employee’s social security number into the “Social Security No.” field. You can assign the employee an employee type within the

PAYROLL

9.1- Adding Employees- (cont'd.):

“Type” field by entering whatever code you want to use for that purpose into the field provided. The values you enter into this field can later be used as a report filter or as a way of selecting a group of employees for whom you wish to process payroll.

To add an employee photo, if desired, click the “Add photo” hyperlink. Sage 50 then opens an “Open” dialog box that lets you browse to and then select the picture of the employee. Then click the “Open” button within the dialog box after selecting the photo to add it to the employee’s record.

To enter employee beginning balances as of the start date of your company file, click the “Employee Beginning Balances” button to open the “Employee Beginning Balances” window. Entering these values lets you produce accurate information within your payroll and W-2 reports. After entering these values, click the “Save” button to save them and then close the “Employee Beginning Balances” window. You will examine entering employee beginning balances in more detail in the lesson titled “Adding Employee Beginning Balances” later within this chapter.

In the “Customizable Fields” section at the bottom of this tab, you can enter information into the fields. These fields are the fields you created within the “Employee Defaults” window.

To enter additional employee data, click the “Additional Info” tab. In the “Emergency contact” section, enter the employee’s emergency contact information. Type the emergency contact’s name into the “Name” field. Then enter their relationship to the employee into the “Relationship” field. Then enter the emergency contact’s primary phone number into the “Phone 1” field and their secondary phone number into the “Phone 2” field.

In the “Demographic Information” section, you can enter additional demographic information about the employee. Enter the employee’s birth date into the “Birth date” field. You can select their marital status from the “Marital status” drop-down. You can then select a gender from the “Gender” drop-down. You can then select an ethnicity from the “Ethnic origin” drop-down.

In the “Employment Details” section, enter the employee’s position into the “Job title” field. If you use job codes, you can enter the employee’s job code into the “Job code” field. If your company has different divisions, you can enter the division for which the employee works into the “Division” field. If you have different physical locations in your company, you can enter the employee’s location into the “Location” field. You can enter the employee’s department, if needed, into the “Department” field. If the employee has a supervisor, you can select the name of this employee’s supervisor from the “Supervisor” drop-down. This drop-down contains the names of all employees and sales reps entered into the “Maintain Employees & Sales Reps” window. You can click the e-mail button next to the “Supervisor” drop-down to send an e-mail to the employee’s supervisor, if you entered an e-mail address for the supervisor into the “E-mail” field on the “General” tab when you created the selected supervisor’s employee record in the “Maintain Employees & Sales Reps” window.

In the next column of fields, select the employee’s employment status from the “Employment status” drop-down. Note that these choices are the ones you created within the “Employee Defaults” window on the “Employment Status” tab. You can click the “Customize statuses” hyperlink to the right of the drop-down menu to quickly open this window and show the tab to change the statuses, if needed.

Then select the employee’s hire date from the “Hired” calendar drop-down. If the employee is terminated in the future, you can select their termination date from the “Terminated” calendar drop-down. If you rehire a terminated employee, you can select their rehire date from the “Rehired” calendar drop-down.

You can enter the employee’s I-9 verification status into the “I-9 verification status” field. After the employee is verified, you can select their verification date from the “I-9 verification date” drop-down field.

To enter information about how you pay the employee, click the “Pay Info” tab. Select an option from the “Pay Method” drop-down: “Salary,” “Hourly- Hours per Pay Period,” or “Hourly- Time Ticket Hours.” If

PAYROLL

9.1- Adding Employees- (cont'd.):

needed, you can enter an hourly rate for customer billing for time recorded on time tickets into the “Rate Used to Bill Customer” field. Then select the frequency with which you pay this employee from the “Pay Frequency” drop-down. After that, enter the usual number of hours the employee works in the selected pay period into the “Hours Per Pay Period” field.

Then set the different pay levels available for this employee. Enter all the pay types and related pay amounts this employee can earn under either the “Hourly Pay Rate” or “Salary Pay Rate” column for each pay type in the “Pay Type” list. For salaried employees, enter the amount of pay for each pay type for the pay period selected above. Click the “Use Defaults” checkbox to clear the check from the box if you do **not** want to use the standard General Ledger payroll expense account for the selected employee’s pay types. If you do that, you must then select a different General Ledger account from the adjacent “Account” field. After entering the pay types and pay rates, you can check either of the two checkboxes at the bottom of this tab for “Eligible for health insurance” and “Receives W-2 electronically,” if they apply to this employee. The “Performance Reviews” and “Raise History” buttons will be discussed in a separate lesson.

To enter the employee’s withholding information, click the “Withholding Info” tab. Select the employee’s appropriate status from the drop-down in the “Filing Status” column for each payroll fields shown under the “Payroll Field Names” column. Enter the employee’s number of allowances into the “Allowances” column for the “Federal,” “State,” and any “Local” or “Special” rows, as needed. Also, enter any additional withholding amounts, if employees elect to have additional money withheld from their paychecks, under the “Addl Withholding” column. Some state tax formulas use the “Allowances” and “Addl Withholding” fields for tax calculation purposes.

Also, enter the two letter abbreviation for the employee’s state into the “State/Locality” column for the “State” row and, if needed, the “Locality” row. Under the “Percentage” column, enter the percentage of the employee’s gross pay to withhold for the retirement plan shown under the “Payroll Field Names” column. If the employee can make catch up payments on the retirement plan shown in the “Payroll Field Names” column, then you can select “Yes” from the “Catch Up” field. If the employee participates in an FSA plan, enter the amount to be withheld from each paycheck into the “FSA Amount” field for the FSA plans shown in the “Payroll Fields Names” column.

At the bottom of the tab, under the “W-2 Checkboxes” section, you can also check the “Employee has retirement plan such as a Simple IRA, 401(k), 403(b), etc.” checkbox if the employee participates in a 401(k) or other retirement plan. Check the checkbox for “Statutory Employee” if the employee is a statutory employee according to the current IRS guidelines, which checks the associated checkboxes in the employee’s W-2 form.

To enter the employee’s vacation and sick time, click the “Vacation/Sick Time” tab. This tab lets you change the specifics of the employee’s vacation and sick time tracking if they differ from the settings in the “Employee Defaults” window. To change the employee’s values, first uncheck either or both checkboxes for “This employee uses the company default settings for vacation” and “This employee uses the company default settings for sick time” in the “Vacation Time Settings” section and the “Sick Time Settings” section. Then enter the employee’s specific vacation and sick time settings into the area below the checkboxes.

To enter deductions specific to the employee, if needed, click the “Employee Fields” tab. For non-calculated payroll deductions, you may have an employee whose payroll deduction amounts differ from the company-wide ones you created in the “Employee Defaults” window. To enter specific employee deductions on this tab, uncheck the “Use Defaults” field for the desired deduction to **not** use the standard payroll field information for this employee, as defined by the values in the “Employee Defaults” window. Then change the account used to track the tax liability or the amount deducted from the employee’s paycheck by changing the values within the “Account” and “Amount” columns, as needed.

PAYROLL

9.1- Adding Employees- (cont'd.):

To change the default employer-paid payroll taxes, if needed, click the “Company Fields” tab. It is most unlikely you will need to make changes on this tab, as you would only need to do so if the settings need to be different from the values found in the “Employee Defaults” window. The values shown are established by the taxes and benefits you entered during the Payroll Settings when you initially created the payroll for the company file.

To save your changes and leave the record displayed in the window after entering all the necessary employee information, click the “Save” button in the toolbar at the top of the “Maintain Employees & Sales Reps” window. Alternatively, to save the employee record and then create a new, blank employee record so you can continue entering employee data, click the “Save & New” button within the toolbar. To close this window when you are finished using it, click the “Close” button within this window’s toolbar.

9.2- Adding Employee Beginning Balances:

If you enter your employees’ beginning balances as of the start date of your company file, you will ensure that your payroll reports and W-2s print with the correct figures. You can enter a beginning balance for each employee you had when you started entering information into Sage 50 and edit it at any time. These amounts don’t affect the General Ledger, but do affect the year-to-date totals for each payroll field. Therefore, you should enter the beginning balances before posting paychecks. You enter employee beginning balances for the quarters of the year, assuming you started after the first quarter. Then, for the current quarter, you enter the amount for each pay period.

To access this information, open the “Maintain Employees & Sales Reps” window by selecting “Maintain| Employees/Sales Reps...” from the Menu Bar. On the “General” tab, click the “Employee Beginning Balances” button to open the “Employee Beginning Balances” window.

In this window, select an employee for whom to enter beginning balances from the “Employee ID” field. Then, in the “Dates” row, enter the date reflecting the pay period ending date, the quarter ending date, or the year ending date, as needed. In the “Payroll Field” rows, enter the payroll field amount for each period ending date. Enter deductions as negative amounts. The “Total” field shows the year-to-date total for the employee’s payroll field. The “Net Check” row at the bottom of the window shows the net pay for the pay period and is calculated automatically. To save the information when done, click “Save” button.

9.3- Performance Reviews and Raise History:

After creating an employee record, you can later return to the “Pay Info” tab in the “Maintain Employees & Sales Reps” window to enter information about job performance evaluations and raise history. To do this, select “Maintain| Employees/Sales Reps...” from the Menu Bar and then select the name of the employee for whom to enter this information from the “Employee ID” field in the “Maintain Employees & Sales Reps” window. Then click the “Pay Info” tab in this window.

To enter job performance review information, click the “Performance Reviews” button below the pay list on the “Pay Info” tab. In the “Performance Reviews” window that opens, enter the date of the review, the name of the reviewer, and any detailed notes or attached files by entering that information into the “Date,” “Rating,” “Reviewer,” “Notes” and “Attachments” columns. You can enter the employee’s next performance review date from the “Next review date” drop-down menu. To add an attachment to a performance review row, click the “Add” hyperlink under the “Attachments” column to open the “Attachments” dialog box. Then click the “Add” button to open an “Open” dialog box that lets you browse for and then select a document to

PAYROLL

9.3- Performance Reviews and Raise History- (cont'd.):

associate with the review. Then click the “Open” button in the “Open” dialog box to add the document reference to the “Attachments” dialog box. Repeat this process to add multiple documents, if needed. When finished, click the “OK” button in the “Attachments” dialog box to add the attachments to the review row. The text then shown in the row reads “View/Edit” under the “Attachments” column. After entering performance review information, click the “Save” button at the bottom of the “Performance Reviews” dialog box to save the data and close the window.

To record pay raise history information, click the “Raise History” button below the pay list on the “Pay Info” tab to open the “Raise History” window. Enter the date of the raise into the “Raise Date” column. Enter the pay type that was increased by selecting one from the “Applicable Rate” drop-down field. Enter the base amount for the selected pay type into the “Base Amount” field. Then enter the amount of the raise into the “Raise Amount” field. The “Raise Percentage” and “New Amount” fields will calculate automatically. Double-check them to ensure they are correct. To add a note about the raise, click the “Note” button to the right of the row and then enter the note into the “Notes” window that appears. Click the “OK” button in the “Notes” window after entering the note, if needed. Then click the “OK” button in the “Raise History” window to save the pay raise information.

9.4- Paying a Group of Employees:

To pay a group of employees, select “Tasks| Select for Payroll Entry” from the Menu Bar to open the “Select Employees- Filter Selection” window, which lets you select the employees to pay. To select the pay period ending date for which to include all employee time tickets, select the date from the “Pay End Date” calendar drop-down in the “Include Time Tickets for” section. To select employees to pay by pay frequency, check the checkboxes of the pay frequencies to include within the “Include Pay Frequencies” section. If you want to select employees to pay by pay method, check the checkboxes of the pay methods to include in the “Include Pay Methods” section.

To select employees to pay by employee ID or employee type, use the “Employees” and/or “Type” drop-downs in the “Include Employees” section to choose the range of employee IDs or employee types to include. If you select the “Range” choice in either drop-down, then use the “From” and “To” drop-downs that appear to select the range of employee IDs or employee types to include. The “Type” drop-down also lets you select from several comparison operators. If you select one of these, then enter or select the criteria against which to compare the employee types from the adjacent drop-down that appears. After selecting who to pay, click the “OK” button to then open the “Select Employees to Pay” window.

To exclude individuals from being paid within the “Select Employees to Pay” window, if needed, uncheck the “Pay” checkbox at the far right end of the employee’s row. You can also use the “Check All” and “Clear All” buttons in this window’s toolbar to check or uncheck all records in the window.

Select the paycheck date from the “Check Date” calendar field at the top of the window. Select the payroll ending date from the “Pay End Date” calendar field, if needed. Ensure the correct payroll checking account is selected from the “Cash Acct” drop-down field.

Then check and/or enter the number of hours for hourly employees in the “Hours” column for each pay type. For salaried employees, check and/or enter the salary rate for each pay level. To create and print paychecks for the selected employees after reviewing the information, click the “Print” button in the toolbar at the top of the window.

PAYROLL

9.5- Paying an Employee:

To pay one employee at a time or to enter a handwritten payroll check, select “Tasks| Payroll Entry...” from the Menu Bar to open the “Payroll Entry” window. Then select the Employee ID of the employee for whom you are creating the paycheck from the “Employee ID” drop-down. If you plan on printing the check, leave the “Check Number” field blank, as you will assign the check number during the printing routine. If you don’t plan on printing the check or are recording a handwritten paycheck, enter the number of the paycheck that was issued into the “Check Number” field.

Payroll Entry

File Edit Go To Window Help

Close New List Save Print Delete Reissue Jobs Journal Event Reports Attach Help

Bellwether Garden Supply

Employee ID: ACHESTER

Check Number: 1250

Date: Mar 15, 2019

\$ 809.22

Cash Account: Payroll Checking Account

Cash Account Balance: Uncalculated

Pay Period Ends: Mar 15, 2019

Weeks in Pay Period: 2

Eight Hundred Nine and 22/100 ***** Dollars

Pay to the Order of: Amanda W. Chester
4599 West Paces Ferry Road
Atlanta, GA 30328

Hours Worked	
Hourly Fields	Hours
Regular	80.00
Overtime	0.00
Special	0.00

Taxes - Benefits - Liabilities		
Name	Amount	Memo
Fed_Income	-131.86	<input type="checkbox"/>
Soc_Sec	-69.44	<input type="checkbox"/>
Medicare	-16.24	<input type="checkbox"/>
State	-48.44	<input type="checkbox"/>
K401	-44.80	<input type="checkbox"/>

Add another pay type Gross Pay: 1,120.00 Change order of payroll fields

Enter the date to print on the paycheck into the “Date” field. In the “Cash Acct” field, the last account used for a paycheck appears. You can change this account, if needed. Enter the pay period ending date into the “Pay Period Ends” date field.

The hourly rates or salary amounts for the selected employee appear in the “Salary Amounts/ Hours Worked” section at the bottom of the window. You can check and/or enter the amount to pay salaried employees here or enter the number of hours worked per pay level type in the “Salary/Hours” column for hourly employees. The employee and employer deductions, additions, and contributions appear in the area to the right. You can change the “Amount” in these fields, if needed. To print the paycheck, if needed, click the “Print” button in the window’s toolbar. To save the paycheck if you don’t need to print it, click the “Save” button in the window’s toolbar, instead.

ACTIONS- PAYROLL

ADDING EMPLOYEES:

1. **To add an employee in Sage 50**, select “Maintain| Employees/Sales Reps...” from the Menu Bar to open the “Maintain Employees & Sales Reps” window.
2. **If needed, to add a new employee**, click the “New” button in the window’s toolbar.
3. At the top of the window, enter the ID to assign to the employee into the “Employee ID” field.
4. Then type the first name, middle initial, last name, suffix and nickname of the employee into the five corresponding fields to the right of the “Name” label.
5. Then select the option button for the employee’s status: “Employee,” “Sales Rep,” or “Both.”
6. **To make an employee record inactive after it has been entered**, you can check the “Inactive” checkbox to the right.
7. **To view basic employee information**, click the “General” tab.
8. Enter the employee’s address into the “Address” fields.
9. Then enter the “City, ST Zip” into the three fields to the right of the label with the same name.
10. Enter the country of the employee into the “Country” field.
11. Below the address, enter the employee’s primary e-mail address into the “E-mail” field and enter their secondary e-mail address into the “E-mail 2” field.
12. At the top of the next column of fields, enter the employee’s “Home phone,” “Work phone” and “Mobile phone” numbers into the three fields of the same names.
13. Enter the employee’s social security number into the “Social Security No.” field.
14. You can assign the employee an employee type within the “Type” field by entering whatever code you want to use for that purpose into the field provided.
15. **To add an employee photo, if desired**, click the “Add photo” hyperlink to open an “Open” dialog box that lets you browse to and then select the picture of the employee.
16. Click the “Open” button in the dialog box after selecting the photo to add it to the employee’s record.
17. **To enter employee beginning balances as of the start date of your company file**, click the “Employee Beginning Balances” button to open the “Employee Beginning Balances” window.
18. After entering these values, click the “Save” button to save them and then close the “Employee Beginning Balances” window.
19. In the “Customizable Fields” section at the bottom of this tab, you can enter information into the fields. These fields are the fields you created within the “Employee Defaults” window.
20. **To enter additional employee data**, click the “Additional Info” tab.
21. In the “Emergency contact” section, type the emergency contact’s name into the “Name” field.
22. Then enter their relationship to the employee into the “Relationship” field.
23. Then enter the emergency contact’s primary phone number into the “Phone 1” field and their secondary phone number into the “Phone 2” field.
24. In the “Demographic Information” section, you can enter additional demographic information about the employee.
25. Enter the employee’s birth date into the “Birth date” field.
26. You can select their marital status from the “Marital status” drop-down.
27. You can then select a gender from the “Gender” drop-down.
28. You can then select an ethnicity from the “Ethnic origin” drop-down.
29. In the “Employment Details” section, enter the employee’s position into the “Job title” field.
30. If you use job codes, you can enter the employee’s job code into the “Job code” field.
31. If your company has different divisions, you can enter the division for which the employee works into the “Division” field.

(cont’d.)

ACTIONS- PAYROLL

ADDING EMPLOYEES- (CONT'D.):

32. If you have different physical locations in your company, you can enter the employee's location into the "Location" field.
33. You can enter the employee's department, if needed, into the "Department" field.
34. If the employee has a supervisor, you can select the name of this employee's supervisor from the "Supervisor" drop-down.
35. You can click the e-mail button next to the "Supervisor" drop-down to send an e-mail to the employee's supervisor, if you entered an e-mail address for the supervisor into the "E-mail" field on the "General" tab when you created the selected supervisor's employee record in the "Maintain Employees & Sales Reps" window.
36. In the next column of fields, select the employee's employment status from the "Employment status" drop-down.
37. You can click the "Customize statuses" hyperlink to the right of the drop-down menu to quickly open the "Employee Defaults" window and show the "Employment Status" tab to change the statuses, if needed.
38. Then select the employee's hire date from the "Hired" calendar drop-down.
39. If the employee is terminated in the future, you can select their termination date from the "Terminated" calendar drop-down.
40. If you rehire a terminated employee, you can select their rehire date from the "Rehired" calendar drop-down.
41. You can enter the employee's I-9 verification status into the "I-9 verification status" field.
42. After the employee is verified, you can select their verification date from the "I-9 verification date" drop-down field.
- 43. To enter information about how you pay the employee**, click the "Pay Info" tab.
44. Select an option from the "Pay Method" drop-down: "Salary," "Hourly- Hours per Pay Period," or "Hourly- Time Ticket Hours."
45. If needed, you can enter an hourly rate for customer billing for time recorded on time tickets into the "Rate Used to Bill Customer" field.
46. Then select the frequency with which you pay this employee from the "Pay Frequency" drop-down.
47. After that, enter the usual number of hours the employee works in the selected pay period into the "Hours Per Pay Period" field.
- 48. To set the different pay levels available for this employee**, enter all the pay types and related pay amounts this employee can earn under either the "Hourly Pay Rate" or "Salary Pay Rate" column for each pay type in the "Pay Type" list.
- 49. For salaried employees**, enter the amount of pay for each pay type for the pay period selected above.
50. If you do not want to use the standard General Ledger payroll expense account for the selected employee's pay types, click the "Use Defaults" checkbox to clear the check from the box and then select a different General Ledger account from the adjacent "Account" field.
51. After entering the pay types and pay rates, you can check either of the two checkboxes at the bottom of this tab for "Eligible for health insurance" and "Receives W-2 electronically," if they apply to this employee.
52. You can click the "Performance Reviews" and "Raise History" buttons to open separate windows that let you enter performance review and raise history information..
- 53. To enter the employee's withholding information**, click the "Withholding Info" tab.
(cont'd.)

ACTIONS- PAYROLL

ADDING EMPLOYEES- (CONT'D.):

54. Select the employee's appropriate status from the drop-down in the "Filing Status" column for each payroll fields shown under the "Payroll Field Names" column.
55. Enter the employee's number of allowances into the "Allowances" column for the "Federal," "State," and any "Local" or "Special" rows, as needed.
56. Enter any additional withholding amounts, if employees elect to have additional money withheld from their paychecks, under the "Addl Withholding" column.
57. Enter the two letter abbreviation for the employee's state into the "State/Locality" column for the "State" row and, if needed, the "Locality" row.
58. Under the "Percentage" column, enter the percentage of the employee's gross pay to withhold for the retirement plan shown under the "Payroll Field Names" column.
59. If the employee can make catch up payments on the retirement plan shown in the "Payroll Field Names" column, then you can select "Yes" from the "Catch Up" field.
60. If the employee participates in an FSA plan, enter the amount to be withheld from each paycheck into the "FSA Amount" field for the FSA plans shown in the "Payroll Fields Names" column.
61. At the bottom of the tab, under the "W-2 Checkboxes" section, you can also check the "Employee has retirement plan such as a Simple IRA, 401(k), 403(b), etc." checkbox if the employee participates in a 401(k) or other retirement plan.
62. Check the checkbox for "Statutory Employee" if the employee is a statutory employee according to the current IRS guidelines, which checks the associated checkboxes in the employee's W-2 form.
- 63. To enter the employee's vacation and sick time, click the "Vacation/Sick Time" tab.**
- 64. To change the employee's values, first uncheck either or both checkboxes for "This employee uses the company default settings for vacation" and "This employee uses the company default settings for sick time" in the "Vacation Time Settings" section and the "Sick Time Settings" section.**
65. Then enter the employee's specific vacation and sick time settings into the area below the checkboxes.
- 66. To enter deductions specific to the employee, if needed, click the "Employee Fields" tab.**
67. For non-calculated payroll deductions, you may have an employee whose payroll deduction amounts differ from the company-wide ones you created in the "Employee Defaults" window.
- 68. To enter specific employee deductions on this tab, uncheck the "Use Defaults" field for the desired deduction to not use the standard payroll field information for this employee, as defined by the values in the "Employee Defaults" window.**
69. Then change the account used to track the tax liability or the amount deducted from the employee's paycheck by changing the values within the "Account" and "Amount" columns, as needed.
- 70. To change the default employer-paid payroll taxes, if needed, click the "Company Fields" tab.**
71. It is most unlikely you will need to make changes on this tab, as you would only need to do so if the settings need to be different from the values found in the "Employee Defaults" window.
72. The values shown are established by the taxes and benefits you entered during the Payroll Settings when you initially created the payroll for the company file.
- 73. To save your changes and leave the record displayed in the window after entering all the necessary employee information, click the "Save" button in the toolbar at the top of the "Maintain Employees & Sales Reps" window.**
- 74. Alternatively, to save the employee record and then create a new, blank employee record so you can continue entering employee data, click the "Save & New" button within the toolbar.**
- 75. To close this window when you are finished using it, click the "Close" button within this window's toolbar.**

ACTIONS- PAYROLL

ADDING EMPLOYEE BEGINNING BALANCES:

1. **To add employee beginning balances**, select “Maintain| Employees/Sales Reps...” from the Menu Bar to open the “Maintain Employees & Sales Reps” window
2. On the “General” tab, click the “Employee Beginning Balances” button to open the “Employee Beginning Balances” window.
3. Select an employee for whom to enter beginning balances from the “Employee ID” drop-down.
4. In the “Dates” row, enter the date reflecting the current pay period ending date, the quarter ending date, or the year ending date, as needed.
5. In the “Payroll Field” rows, enter the payroll field amount for each period ending date. Enter deductions as negative numbers.
6. The “Total” field shows the year-to-date total for the payroll field for the selected employee.
7. The “Net Check” row at the bottom of the window shows the net pay for the pay period and is calculated automatically.
8. **To save the information when done**, click “Save” button

PERFORMANCE REVIEWS AND RAISE HISTORY:

1. **To enter information about job performance evaluations and raise history**, select “Maintain| Employees/Sales Reps...” from the Menu Bar.
2. Then select the name of the employee for whom to enter this information from the “Employee ID” field.
3. Then click the “Pay Info” tab in this window
4. **To enter job performance review information**, click the “Performance Reviews” button below the pay list on the “Pay Info” tab.
5. In the “Performance Reviews” window that opens, enter the date of the review, the name of the reviewer, and any detailed notes or attached files by entering that information into the “Date,” “Rating,” “Reviewer,” “Notes” and “Attachments” columns.
6. **To enter the employee’s next performance review date**, use the “Next review date” drop-down.
7. **To add an attachment to a performance review row**, click the “Add” hyperlink under the “Attachments” column to open the “Attachments” dialog box.
8. Then click the “Add” button to open an “Open” dialog box that lets you browse for and then select a document to associate with the review.
9. Then click the “Open” button in the “Open” dialog box to add the document reference to the “Attachments” dialog box.
10. Repeat this process to add multiple documents, if needed.
11. When finished, click the “OK” button in the “Attachments” dialog box to add the attachments to the review row.
12. The text then shown in the row reads “View/Edit” under the “Attachments” column.
13. **To save the data and close the window after entering performance review information**, click the “Save” button at the bottom of the “Performance Reviews” dialog box.
14. **To record pay raise history information**, click the “Raise History” button below the pay list on the “Pay Info” tab to open the “Raise History” window.
15. Enter the date of the raise into the “Raise Date” column.
16. Enter the pay type that was increased by selecting one from the “Applicable Rate” drop-down field.
17. Enter the base amount for the selected pay type into the “Base Amount” field.

(cont’d.)

ACTIONS- PAYROLL

PERFORMANCE REVIEWS AND RAISE HISTORY- (CONT'D.):

18. Then enter the amount of the raise into the “Raise Amount” field.
19. The “Raise Percentage” and “New Amount” fields will calculate automatically, but double-check them to ensure they are correct.
20. **To add a note about the raise**, click the “Note” button to the right of the row and then enter the note into the “Notes” window that appears.
21. Click the “OK” button in the “Notes” window after entering the note, if needed.
22. **To save the pay raise information**, click the “OK” button in the “Raise History” window.

PAYING A GROUP OF EMPLOYEES:

1. **To pay a group of employees**, select “Tasks| Select for Payroll Entry” from the Menu Bar to open the “Select Employees- Filter Selection” window, which lets you select the employees to pay.
2. **To select the pay period ending date for which to include all employee time tickets**, select the date from the “Pay End Date” calendar drop-down in the “Include Time Tickets for” section.
3. **To select employees to pay by pay frequency**, check the checkboxes of the pay frequencies to include within the “Include Pay Frequencies” section.
4. **If you want to select employees to pay by pay method**, check the checkboxes of the pay methods to include in the “Include Pay Methods” section.
5. **To select employees to pay by employee ID or employee type**, use the “Employees” and/or “Type” drop-downs in the “Include Employees” section to choose the range of employee IDs or employee types to include.
6. **If you select the “Range” choice in either drop-down**, then use the “From” and “To” drop-downs that appear to select the range of employee IDs or employee types to include.
7. The “Type” drop-down also lets you select from several comparison operators.
8. **If you select one of these**, then enter or select the criteria against which to compare the employee types from the adjacent drop-down that appears.
9. **After selecting who to pay**, click the “OK” button to then open the “Select Employees to Pay” window.
10. **To exclude individuals from being paid within the “Select Employees to Pay” window, if needed**, uncheck the “Pay” checkbox at the far right end of the employee’s row.
11. You can also use the “Check All” and “Clear All” buttons in this window’s toolbar to check or uncheck all records in the window.
12. Select the paycheck date from the “Check Date” calendar field at the top of the window.
13. Select the payroll ending date from the “Pay End Date” calendar field, if needed.
14. Ensure the correct payroll checking account is selected from the “Cash Acct” drop-down field.
15. Then check and/or enter the number of hours for hourly employees in the “Hours” column for each pay type.
16. For salaried employees, check and/or enter the salary rate for each pay level.
17. **To create and print paychecks for the selected employees after reviewing the information**, click the “Print” button in the toolbar at the top of the window.

ACTIONS- PAYROLL

PAYING AN EMPLOYEE:

1. **To pay one employee at a time or to enter a handwritten payroll check**, select “Tasks| Payroll Entry...” from the Menu Bar to open the “Payroll Entry” window.
2. Then select the Employee ID of the employee for whom you are creating the paycheck from the “Employee ID” drop-down.
3. **If you plan on printing the check**, leave the “Check Number” field blank, as you will assign the check number during the printing routine.
4. **If you don’t plan on printing the check or are recording a handwritten paycheck**, enter the number of the paycheck that was issued into the “Check Number” field.
5. Enter the date to print on the paycheck into the “Date” field.
6. In the “Cash Acct” field, the last account used for a paycheck appears and you can change this account, if needed.
7. Enter the pay period ending date into the “Pay Period Ends” date field.
8. The hourly rates or salary amounts for the selected employee appear in the “Salary Amounts/ Hours Worked” section at the bottom of the window.
9. You can check and/or enter the amount to pay salaried employees here or enter the number of hours worked per pay level type in the “Salary/Hours” column for hourly employees.
10. The employee and employer deductions, additions, and contributions appear in the area to the right.
11. You can change the “Amount” in these fields, if needed.
12. **To print the paycheck, if needed**, click the “Print” button in the window’s toolbar.
13. **To save the paycheck if you don’t need to print it**, click the “Save” button in the window’s toolbar, instead.

EXERCISES- PAYROLL

Purpose:

To be able to enter employee information, beginning balances and create a sample paycheck.

Exercises:

1. Start the Sage 50 application.
2. Open the "Fakeco, Inc." company file completed through the end of the previous chapter's exercise.
3. Select "Maintain| Employees/Sales Reps..." from the Menu Bar.
4. Type "brownellc" into the "Employee ID" field.
5. Enter "Cathy Brownell" into the "Name" field, using the "First" and "Last" name fields.
6. Click the "Employee" option button that appears next to the employee's name.
7. Enter the employee's address as follows: "111 Cedar St." "Holt" "MI" "48842."
8. Enter a "Social Security #" of "123456789."
9. Click the "Additional Info" tab and then enter "04/02/01" into the "Hired" date field.
10. Click the "Withholding Info" tab.
11. For the "Federal" payroll field, enter "Married" under "Filing Status" and "1" under "Allowances."
12. For the "State" payroll field, enter "Married/Jointly" under "Filing Status," "1" under "Allowances," and "MI" for the "State/Locality."
13. For the "Local" payroll field, enter "Not Required."
14. Click the "Pay Info" tab.
15. Select "Salary" from the "Pay Method" drop-down.
16. Select "Bi-weekly" from the "Frequency" drop-down.
17. Enter "1500.00" in the first "Salary Pay Rate" field.
18. Click the "Save" button in the toolbar at the top of the window to save this employee's information.
19. Click "New" in the toolbar at the top of the window to start a new record.
20. Click the "General" tab.
21. Type "whitew" into the "Employee ID" field.
22. Enter "William White" into the "Name" field, using the "First" and "Last" name fields.
23. Click the "Both" option button that appears next to the employee's name.
24. Enter the employee's address as follows: "240 Pinecrest Dr." "Mason" "MI" "48934."
25. Enter a "Social Security #" of "333333333."
26. Click the "Additional Info" tab and then enter "11/07/00" into the "Hired" date field.
27. Click the "Withholding Info" tab.
28. For the "Federal" payroll field, enter "Single" under "Filing Status."
29. For the "State" payroll field, enter "Single" under "Filing Status" and "MI" for the "State/Locality."
30. For the "Local" payroll field, enter "Not Required."
31. Click the "Pay Info" tab.
32. Select "Hourly- Hours per Pay Period" from the "Pay Method" drop-down.
33. Select "Weekly" from the "Frequency" drop-down.
34. Enter "15.00" into the "Regular" Hourly Pay Rate field.
35. Enter "22.50" into the "Overtime" Hourly Pay Rate field.
36. Click the "Save" button in the toolbar at the top of the window to save this employee's information.
37. Click "New" in the toolbar at the top of the window to start a new record.
38. Click the "General" tab.
39. Click the "Employee Beginning Balances" button to enter beginning balances for employees.

(cont'd.)

EXERCISES- PAYROLL

Exercises- (cont'd.):

40. Select "brownellc" from the "Employee ID" drop-down.
41. Enter "1/31/19" into column "1."
42. Underneath the column you just labeled "1/31/19," enter the following values into the fields.
43. Enter "5400.00" into the "Gross" field.
44. Enter "-505.72" into the "Fed_Income" field.
45. Enter "-334.80" into the "Soc_Sec" field.
46. Enter "-78.30" into the "Medicare" field.
47. Enter "-220.46" into the "State" field.
48. Click the "Save" button at the top of the window when you are finished.
49. Select "whitew" from the "Employee ID" drop-down.
50. Enter "1/31/19" into column "1."
51. Underneath the column you just labeled "1/31/19", enter the following values into the fields.
52. Enter "2400.00" into the "Gross" field.
53. Enter "-270.12" into the "Fed_Income" field.
54. Enter "-148.80" into the "Soc_Sec" field.
55. Enter "-34.80" into the "Medicare" field.
56. Enter "-107.96" into the "State" field.
57. Click the "Save" button at the top of the window when you are finished.
58. Click "Close" to return to the "Maintain Employees & Sales Reps" screen.
59. The company has just hired a new employee who will work with time ticket hours. Next you will create the new employee record.
60. Type "close" into the "Employee ID" field.
61. Enter "Emily Clos" into the "Name" field, using the "First" and "Last" name fields.
62. Click the "Both" option button that appears next to the employee's name.
63. Enter the employee's address as follows: "333 Edgewood Blvd." "Lansing" "MI" "48842."
64. Enter a "Social Security #" of "444444444."
65. Click the "Additional Info" tab and then enter "02/01/19" into the "Hired" date field.
66. Click the "Withholding Info" tab.
67. For the "Federal" payroll field, enter "Married" under "Filing Status and "2" under "Allow."
68. For the "State" payroll field, enter "Married/Jointly" under "Filing Status," "0" under "Allow," and "MI" for the "State/Locality."
69. For the "Local" payroll field, enter "Not Required."
70. Click the "Pay Info" tab.
71. Select "Hourly- Time Ticket Hours" from the "Pay Method" drop-down.
72. Enter "50.00" into the "Rate Used to Bill Customers" field.
73. Select "Weekly" from the "Frequency" drop-down.
74. Enter "16.00" into the "Regular" Hourly Pay Rate field.
75. Enter "24.00" into the "Overtime" Hourly Pay Rate field.
76. Click the "Save" button in the toolbar at the top of the window to save this employee's information.
77. Click the "Close" button within the toolbar at the top of the "Maintain Employees & Sales Reps" window.
78. Now enter a paycheck for an employee by selecting "Tasks| Payroll Entry..." from the Menu Bar.
79. Click "Close" in the message box that appears.
80. Select "Payroll Checking Account" from the drop-down within the "Select a Cash Account" dialog box and then click the "OK" button to continue.

(cont'd.)

EXERCISES- PAYROLL

Exercises- (cont'd.):

81. Select "brownellc" from the "Employee ID" drop-down within the "Payroll Entry" window.
82. Enter "2/16/19" into the "Date" field.
83. Enter "2/10/19" into the "Pay Period Ends" field.
84. Enter "-171.69" into the "Fed_Income" field.
85. Enter "-62.37" into the "Soc_Sec" field.
86. Enter "-21.53" into the "MEDICARE" field.
87. Enter "-61.50" into the "St_Income" field.
88. Enter "6.15" into the "VAC_Accrue" field.
89. Enter "18.46" into the "VAC_Remain" field.
90. Enter "1.53" into the "SICK_Accrue" field.
91. Enter "4.62" into the "SICK_Remain" field.
92. Enter "-92.07" into the "Soc_Sec_C" field.
93. Enter "-21.53" into the "Medicare_C" field.
94. Enter "-8.91" into the "Fed_Unemp_C" field.
95. Enter "-40.10" into the "St_Unemp_C" field.
96. Click the "Save" button in the toolbar at the top of the "Payroll Entry" window to save the paycheck.
97. Click the "Close" button within the "Payroll Entry" window to close the paycheck.
98. **Save this company file for the following exercises within this tutorial. You will need the file and need to complete the exercises at the end of each of the following chapters in sequential order to complete all the exercises within the tutorial.**