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### INSIDE...

- 2 President's Corner Webinars
- 2 Tips Anti-Virus Software
- 3 Q & A Tax Configuration
- 4 State Reports State Forms
- 4 EFTPS Security Password Format
- 4 2008 Training Dates Available



In observance of Memorial Day, PenSoft will be closed Monday, May 26.



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## Fundamentals of Reconciling

PenSoft Payroll.net is extremely easy to use, but an increasing number of clients call Program Support at the end of each quarter due to setup or processing errors. To help clients reduce these errors we are developing a "Fundamentals of Reconciling" webinar.

### Why Reconciliations are Important

Accurate payroll records are vital in preparing tax returns and necessary for complying with federal, state, and local tax requirements. They are also important to the finance department in preparing complete financial statements for the company. Checks and balances need to be in place and routinely performed to ensure input and output accuracy and tax compliance.

**SIGN UP NOW!!**  
See Page 3 For  
Training Dates!

### Reconciliation Procedures

Reconciliation refers to the process of comparing payroll records of financial transactions to actual transaction detail recorded in PenSoft Payroll.net. Since data entry errors or other types of mistakes may occur when information is entered into PenSoft Payroll.net, it is important to identify them quickly and make corrections after each payroll.

Waiting until the end of the year to resolve discrepancies is not a good idea since there may not be enough time to do the research and make the necessary corrections.

Reconciling procedures include but are not limited to: the payroll liability account, payroll expense accounts, taxable wages, and bank account reconciliation. It is vital to check for the accuracy of payroll records at various stages of the payroll process.

See **Reconciliation**, page 3

## Payroll Processors...Increase Your Business!

### No More Faxes...No More E-mails...No More Last Second Phone Calls!

Increase your business efficiency for payroll processing by submitting payroll information ONLINE using PenSoft Remote Client. Your clients can complete payroll information for their employees online. You can then import the information into PenSoft Payroll.net. No need to have the information sent by e-mail, phone, or fax.

You can also authorize your clients to add employees, update employee information, modify employee lists, enter time, or enter leave information.

### Reports

Are you faxing or mailing payroll and tax reports to your clients every payday or quarter? Enjoy the ease of uploading those same reports online for your clients. Your clients can then retrieve those reports when it is convenient for their schedule. They can view and/or print them.

### Payroll Checks

Are you having to rush around printing and preparing payroll checks for pickup or shipping right before your clients' payday? NO LONGER! You can upload the checks for them to print in their own office (check stock required). Plain paper summaries for direct deposit users can also be upload for your clients to print and pass out to their own employees.

PenSoft Remote Client can assist you in growing your business by providing your clients the capability to submit payroll information online. Reduce the chance of entering information incorrectly and increase your payroll processing efficiency!

Sign up for a **FREE** 30-day trial by completing the contract available at [www.pensoft.com/remote.asp](http://www.pensoft.com/remote.asp) and faxing it back to 757-873-1733. ☎



Leroy Newman  
President & CEO

## President's Corner

As usual our Administrative and Product Support Departments were very busy during December 2007 and January 2008 but they were able to keep up with the calls and orders. The 2007 customer year end reporting issues were very manageable. Due to improved procedures and testing the 2008 software ordering, distribution and installation were by far the least problematic ever. Thank you for your cooperation and understanding.

### Webinars

Our year end webinars were completely sold out even after increasing the number of available slots per session and after adding more sessions. Because of the acceptance to these webinars and feedback from those customers who attended the sessions, we are developing "Fundamentals of Reconciliation" for the first quarter webinars. It is much easier to correct any setup mistakes after one quarter than it is after an entire year of payroll data.

## Tips

### State Unemployment Tax Rates

State unemployment tax rates are entered as a percent in the state setup. If the taxing agent lists a multiplier, move the decimal two places to the right to determine the rate to be entered into PenSoft Payroll.net. For example, if your rate is a decimal rate of .0015 enter the rate as .15 within PenSoft.

### Anti-Virus Software

Disable all anti-virus software applications on the operating system before installing PenSoft Payroll.net or updates.

### Zero Withholding

PenSoft Payroll.net can support employees requesting zero withholding for federal and state income taxes. To setup:

- Click Employees.
- Highlight the employee.
- Click Modify.
- Select Taxes folder.
- Uncheck the appropriate boxes to withhold federal, state, and local taxes.

### 2009 PenSoft Payroll.net

We welcome your many suggestions for product additions and/or modifications and thoroughly evaluate each and every one. Some suggestions are good for many customers while others are so specific they only have application for a single company. Some suggestions are very difficult to program and the results could be problematic for other customers. For example check stubs have limited space. Every bit of the space is committed to specific data elements so any addition to them would require removing something else. This would cause problems for companies who use the data elements eliminated. Other suggestions are relatively easy to program and are an improvement for many customers.

All of this discussion can be summed up with one statement – all software programming is a compromise. We do our best to satisfy the needs and wishes of a majority of our customers nationwide. We really appreciate your patience when we are unable to implement your specific suggestion.

### Employees

Angelo Koukaliotis recently joined our Program Support Department. He has several years of experience in company payroll, human resources and benefits administration. Welcome Angelo. ☺



### Remote Client

PenSoft Remote Client offers users the ability to post checks, reports, and report stacks to a secure website. This allows for paperless payroll transactions for processors and companies with multiple locations. Visit [www.pensoft.com/remote.asp](http://www.pensoft.com/remote.asp) for more information. To sign up for a free trial offer complete the contract available online and fax back to 757-873-1733.

### Timesheet Data Entry

Timesheet data entry is an alternative way to enter payroll data on a daily basis. PenSoft Payroll.net supports a variety of data entry modes. **NEW** for 2008 is the option allowing users to enter time by employee/date using double punches. Timesheet data entry is available in Professional Edition and higher. ☺



The Fundamentals of Reconciling webinar is designed to equip you with the skills and knowledge required to run your payroll office as effectively and efficiently as possible saving time and money correcting errors, thus adding value to your company.

# MARCH

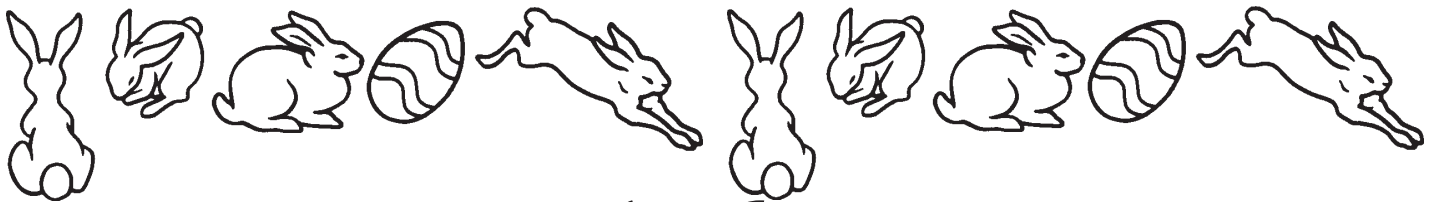
March 18  
March 20  
March 25  
March 27

# APRIL

April 1  
April 3

Training is from 2pm to 4pm eastern time and runs approximately 2 hours.  
**HURRY!** Seats are limited and they fill quickly!

To sign up call 888-PENSOFT (888-736-7638).



## Q & A

**Q.** I changed the tax configuration for an employee's income. Why didn't it change the payroll record?

**A.** PenSoft Payroll.net is designed to base a payroll record on the current employee setup. Changes to the employee setup after payroll has been entered have no effect on the historical records. This prevents a change from occurring incorrectly when mid-year legitimate tax table updates and other setup adjustments have been made by government authorities.

**Q.** New privacy laws and government regulations are requiring only partial social security numbers listed on pay stubs. Can PenSoft accommodate this?

**A.** PenSoft Payroll.net users can generate checks and plain paper summaries with only the last four digits of an employee's social security number. In addition, direct deposit files can be created excluding the entire social security number. To use only the last four digits on checks and summaries:

- Click Checks.
- Click Options under Checks or Summaries headings in the Print Checks window.
- Check "Include the employee's social security number on the stub." on the Check Options window OR "Include the employee's social security number." on the Plain-Paper Summary Options window.
- Check "Include the last four digits only."

**Q.** I do not see the termination date in the Employment folder for 2008. Where do I record the termination of an employee?

**A.** Termination has its own folder under Employment Setup. This allows users to quickly and easily mark an employee as terminated, and then enter termination date and reason.

**Q.** My employee lost his W-2 and needs a new one. Can I reprint the W-2 again in the previous year?

**A.** PenSoft Payroll.net allows users to access previous year's software at any time. There is no closing of the quarter or year. W-2s can be viewed and printed at any time, even in the current year software.

**Q.** I am a semi-weekly depositor, how do I reflect this on my Form 941 to generate Schedule B?

**A.** To change the deposit schedule in the setup feature for the Form 941:

- Click Reports.
- Select Tax Reports.
- Click Form 941.
- Select a quarter.
- Click OK.
- Click Setup button at the bottom of the report.
- Select the radio button for Semiweekly schedule.
- Click OK.

**NOTE:** PenSoft Payroll.net will refresh and produce the Schedule B.



# 4

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indirectly by this publication.

## State Reports

PenSoft is continually working on maintaining and adding state specific forms in 2008 PenSoft Payroll.net. The following states have forms already programmed in the software:

Alabama  
Arizona  
California  
Colorado  
Florida  
Georgia  
Illinois  
Iowa  
Kentucky  
Louisiana  
Maine  
Maryland  
Massachusetts  
Michigan  
Minnesota  
Missouri  
New Jersey  
New York

North Carolina  
Ohio  
Oklahoma  
Oregon  
Pennsylvania  
South Carolina  
South Dakota  
Tennessee  
Texas  
Virginia  
Washington  
Wisconsin

Visit [www.pensoft.com/stateinfo.aspx](http://www.pensoft.com/stateinfo.aspx) to view what forms are supported for your state in 2008 PenSoft Payroll.net.

Don't see your state listed? We are always working on adding forms for additional states. Visit [www.pensoft.com/stateinfo.aspx](http://www.pensoft.com/stateinfo.aspx) often to see if your state has been added. ☺

## EFTPS Enhances Security

Are you safeguarding your personal and sensitive data properly? Data falling into the wrong hands can lead to fraud or identity theft. One of the simplest ways to safeguard your data is with complex passwords. When creating a strong password avoid repeated characters, words found in the dictionary, and using the same password you use elsewhere.

Electronic Federal Tax Payment System (EFTPS) recently made changes to the password format required to login to their website. As of February 7, 2008 they have increased the complexity of passwords and users may be required to update their format.

They recommend passwords be changed based on the following specifications as soon as possible.

Passwords must be 8 to 12 characters long, composed of the following:

- Uppercase and lowercase alphabetical characters
- Numeric characters
- The following special characters (!, @, #, \$, \*, +, -)

Each password **MUST** contain upper and lowercase alpha characters, and at least one numeric **OR** special character.

Visit [www.eftponline.gov](http://www.eftponline.gov) for more news or information. ☺

## Don't Forget About 2008 Training at PenSoft!

### Available Dates:

- March 10-11
- June 9-10
- September 8-9
- December 8-9

Visit [www.pensoft.com/training.asp](http://www.pensoft.com/training.asp) or call 888-PENSOFT (888-736-7638). ☺