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In observance of Christmas, PenSoft will be closed December 24-25. In observance of the New Year, PenSoft will be closed January 1, 2016.



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PenSoft Payroll Hosted Solution

PenSoft Payroll Hosted Solution delivers on our long-standing commitment to providing the best software solution for small to mid-sized businesses.

PenSoft Payroll Hosted Solution harnesses the power of PenSoft Payroll with the convenience of cloud technology, so it is the best of both worlds, delivering a solution where customers can focus on their core business and worry less about payroll.

Why Use PenSoft Payroll Hosted Solution?

Simple – Anywhere, Anytime, Any Device. Our hosted solution provides customers the

flexibility to access payroll at their convenience including their choice of device. That is correct, with this solution you can use your Apple iPad or iPhone.

- **Convenience:** Access your company payroll with a user login from any computer or device with internet access from anywhere in the world.
- **Updates:** Managed update service by the hosting service provides the latest tax code changes and features with minimal customer involvement. PenSoft will make all efforts to minimize, and even eliminate, the system outage during maintenance by sending notifications before and during the maintenance window.

See **Hosted Solution**, page 4

Cloud Convenience Access PenSoft Payroll Hosted Solution From Any Device With Internet

2016 PenSoft Payroll

PenSoft customers renewing for 2016 will receive the new generation release of PenSoft Payroll. There has been considerable amount of work done in preparation for the event and we are excited to provide our customers with this robust in-house solution.

PenSoft Payroll - Next Generation

In addition to payroll and tax administration, the new software includes workforce management, benefits and performance management, applicant tracking, time management, expanded report capabilities, and more.

- Sleek consolidated dashboard view of all setup areas at the company level accessible with a single click.
- New company specific calendar feature to schedule payrolls, due dates for tax reports,

birthdays, anniversaries, or evaluations. Available in the Enterprise Edition and higher.

- Schedule wizard for setting up a custom payroll schedule with holidays and weekends flagged for easy identification.
- Reporting capabilities expanded with an unlimited number of user-definable reports allows for companies to setup unlimited

custom reports specific to their company's reporting needs.

As a reminder, 2016 PenSoft Payroll will not support Windows XP due to limitations

in Microsoft's .Net framework. It is critically important for PenSoft customers to upgrade from Windows XP as soon as possible to avoid any interruption in the use of service or subscribe to PenSoft Payroll Hosted Solution.

To learn more about PenSoft Payroll Hosted Solution see the article above.

The Next Generation Enjoy all the new features in our next generation software for 2016.



Leroy Newman
President & CEO

President's Corner

2015 is coming to an end. We hope it has been a good year for you, your family and your company. It is our wish as you prepare for 2016 your year-end is stress-free. Happy holidays.

2016 PenSoft Payroll

We are preparing 2016 PenSoft Payroll for release on December 14th. Since this is completely new software for most of our customers please install and work with it early because menus have changed and there are many new features.

PenSoft Payroll Hosted Solution

We are excited to announce the addition of PenSoft Payroll Hosted Solution for 2016. Rather than installing the software on your computer, it is installed in the cloud where you have access to it.

The benefits of the PenSoft Payroll Hosted Solution:

1. You can access your company payroll from any computer with internet access so you are not restricted to just one location.
2. You will not be required to maintain the hardware infrastructure as you are with the desktop application.
3. PenSoft Payroll Hosted Solution is billed on a monthly basis versus buying the software on an annual basis.
4. Updates will be managed so your software will always be up to date with the latest tax code.

Database Corruption

Database corruption is the unseen gremlin hiding in the shadows when you are busy working in PenSoft Payroll. It's one of the most common causes of data loss for PenSoft customers and it's getting more prevalent. This technical tip is to help you identify behavior that contributes to corrupting the database and processes you can put in place to prevent your database from becoming corrupted.

Known causes of PenSoft Payroll database corruptions:

- Rebooting or turning off the computer when PenSoft Payroll is open
- Keeping PenSoft Payroll open constantly
- Sharing data through backup and restoring on a frequent basis
- Network and media disk errors
- Virus on the system

Preventive measures for protecting your database:

- Proper shut down of the application and the computer is vital to prevent corrupting your PenSoft Payroll database. Shut down PenSoft Payroll by clicking on the file menu and exit or by clicking the "X" button on the top right-hand side of the program window. Never turn off a computer by

5. 2016 PenSoft Payroll will not operate on a computer running on the Windows® XP operating system. If you have not had an opportunity to upgrade from Windows XP, the hosted solution is an option to give you extra time for the upgrade. (We recommend upgrading from Windows XP as soon as possible.)

If you have already purchased 2016 PenSoft Payroll and wish to change to the hosted solution for 2016 please call for information. To view additional information and to sign up for the hosted solution visit www.pensoft.com/hostedpayroll/features.aspx

Employees

Jasmine Jones, Payroll Specialist, celebrated 5 years of outstanding service at PenSoft. Jasmine joined PenSoft in Administration. She excelled in her assigned duties and took it upon herself to learn all she could about PenSoft Payroll. Through her own initiative she prepared for and completed both the APA FPC and CPP examinations. Jasmine was promoted and reassigned to Information Systems where she professionally completes numerous tasks including processing customer 94x electronic returns, documentation, testing and working with the programmers on software improvements. She is instrumental to the quality of our software products and services. Thanks Jasmine for 5 years of dedicated service!

unplugging or turning off the power supply. Take the time to properly shut down all applications and the computer. While you cannot control a power outage, you can install UPSs (uninterruptible power supply) to your computer systems and servers.

- Do not leave PenSoft Payroll up and running constantly in the background when not in use. This is especially important in cases of multi-user access in PenSoft Payroll. Having PenSoft Payroll open when the operating system (OS) freezes and the only remedy is a hard boot is sure to result in a corrupted database.
- Sharing data between departments or locations via backup and restore ultimately can result in the corruption of the PenSoft Payroll database. The restore process in the application overwrites the current database. Backing up to and restoring from faulty media can result in an irreparable corruption of the database. The correct method for sharing data is to setup the common data folder on a server and provide access to authorized employees.
- Network and media faults: Wi-Fi connections are convenient and work fine, but multiple users or neighborhood networks have been reported to have abrupt cut offs of the connection.

Q&A

Q. Is there an automated process to notify the Chief Financial Officer when payroll tax payments are delinquent? The Internal Revenue Service (IRS) sent notices of delinquency, but the notices were only addressed to the payroll manager and were hidden in the desk.

A. The IRS Electronic Federal Tax Payment System is an independent application from PenSoft Payroll and acknowledgements are stored in the EFTPS payment system.

PenSoft recommends implementing internal checks and balances that include segregating duties such as having a second member of the payroll department verify the processing of EFTPS payments and reconciling payroll reports to the verified tax payments. The IRS and other revenue agencies offer the option to send notices to multiple individuals within the company reducing the potential for nondisclosure.

Holiday Wishes!

*This season, may you be blessed
with laughter, peace, and love.*

Q. I attended a year-end course and the instructor recommended we verify the wage bases and limits of deductions in our software before processing the first payroll in 2016. How can I update and verify the 2016 retirement plan limits in PenSoft Payroll?

A. PenSoft maintains the wage base limits in PenSoft Payroll so clients do not have to be concerned with updating the limits of pre-defined retirement plans. The retirement plan limits were released October of 2015 and will be included in the initial release of 2016 PenSoft Payroll.

Pre-defined retirement plan deductions display in the view only mode. The following steps provide access to viewing the cut-off limit of a pre-defined retirement plan deduction:

- Click Setup
- Click Company
- Click Deduction List
- Select the retirement plan deduction to verify
- Click Modify

PenSoft recommends users subscribe to the IRS Newswire to keep up-to-date on IRS changes affecting their business. Sign up at www.irs.gov/uac/Subscribe-to-IRS-Newswire-1

2016 Training

The Federal Reporting and Quarterly Reconciliation webinar will be back by popular demand this spring! Sign up for this comprehensive webinar geared toward the basics of reconciliation. Trainers will explain step by step the purposes, value, and effectiveness of reconciling. Follow along in PenSoft Payroll as various taxability scenarios are explained, examples are provided, and demonstrations are executed.

The webinar is \$99 per phone connection. The one hour webinar is at 2pm Eastern time on the following dates:

- March 24
- March 31
- April 7

Space is limited and seats fill up quickly!

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

This webinar has been approved by the American Payroll Association for 1 Recertification Credit Hour (RCH) for one year from the broadcast date. To earn the credit, you must listen to the entire one hour webinar.

Quarterly Training

Maximize your return from PenSoft Payroll with training! We offer a two day seminar at PenSoft to get the most out of your payroll software.

2016 Quarterly Training Dates:

- March 7-8
- June 6-7
- September 12-13
- December 5-6

Learn from real life payroll topics to apply immediately. To sign up, call 888-PENSOFT (888-736-7638).

The quarterly training has been approved by the American Payroll Association for 6 RCH for day one and 4.5 RCH for day two.

- **Efficient:** Increased speed with the deployment and scale of applications, while reducing operational cost and risk.
- **Secure:** Customer runs on a separate instance, so the credentials and URL to access one customer's instance is different from that of other customers. There are detailed procedures in place to ensure the necessary levels of physical security, network security, application security, internal systems security, operating system security and third-party certifications.
- **Scalable:** Available in three service levels: Basic, Advanced, and Elite. Scales up or down based on demand.
- **Infrastructure:** Reduced Informational Technology (IT) infrastructure and expense. The IT infrastructure is managed by the host resulting in lower IT costs for hardware, software, and the workforce needed to manage it. Microsoft XP users can continue with PenSoft Payroll without upgrading their operating system with a subscription to PenSoft Payroll Hosted Solution.
- **Disaster Recovery:** Built-in disaster recovery protection. The data center meets or exceeds Tier-3 standards, which ensure that both the infrastructure and application layers are protected from events such as power failures and network outages through redundant Internet connectivity and power supply, including UPS and generators.
- **Economical:** Consumed as a service and paid for based on usage via monthly billing.

With the use of the continuously evolving cloud technology, your payroll processing options will continue to expand without the need for new hardware, licensed software, costly upgrades, or workforce to keep up with solution developments.

Webinar Available

We invite you to join us Thursday, December 8 at 2pm Eastern time for an informal presentation, demonstrating the benefits of PenSoft Payroll Hosted Solution.

There is no charge for the webinar but register early; seating is limited to the first 50 registered attendees.

Register at <https://attendee.gotowebinar.com/register/8735192542825461761>

For more information about PenSoft Payroll Hosted Solution e-mail info@pensoft.com or call 888-PENSOFT (888-736-7638).

Corruption, continued from page 2

This interruption can corrupt the database file if you are writing to it at the time. Another important point is device medias do not have an eternal lifespan and begin to falter after years of extensive use. As mentioned previously, backup/restore from a faulty media can corrupt the PenSoft Payroll database. Be proactive in ensuring your media is in good working order by running scandisk and defrag on a regular basis.

- **Virus:** Many viruses can infect and damage PenSoft Payroll databases. Unfortunately these viruses can go undetected for long periods of time, even years, and strike when you least expect it. PenSoft strongly recommends installing and regularly updating quality anti-virus software for your systems.

It may be possible to recover from a database corruption but there is no guarantee. PenSoft's software engineers have assisted many customers in this process but are finding it more difficult especially for repeat offenders. PenSoft's policy is to assist customers to the fullest extent possible but it is a team effort requiring cooperation from our customers. When customers do not take the steps necessary to properly handle the database, it becomes a losing battle and results in frustration for both the customer and PenSoft. In instances where the database is beyond repair, the only option for recovery is to restore from a clean backup file or to start over.

Your data is always at risk. Having proper processes in place for using PenSoft Payroll and incorporating adequate and viable backups are important safeguards, but this isn't enough. There's much you can do to prevent a database corruption from occurring but it requires awareness of user and system weaknesses and changing risky behaviors within your processes.

Accordingly, the closing comment is, **Backup! Backup!! Backup!!!**

Need A W-9?

Download one immediately at www.pensoft.com/documents/2015_W9.pdf

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