PenSoft® NEWS

INSIDE…

In observance of Thanksgiving, PenSoft will be closed November 28-29.

Protect Your Data with Strong Passwords

October is National Cybersecurity Awareness Month and PenSoft is encouraging our customers to review their password protocols to prevent cybercriminals from getting access to your employee's and client's sensitive data.

As busy professionals we spend a considerable amount of time working online and should be using strong passwords to protect against savvy cybercriminals attempting to steal identities and accessing sensitive data.

In the past year there have been forums discussing how we can strengthen password protocols and the recommendation is to use passphrases such as a favorite line from a song or a series of associated words rather than using a password. The objective is to create a passphrase that can be remembered easily but challenging to crack to discourage cybercriminals efforts.

PenSoft Payroll has built-in password protection to protect your information but your efforts are needed to ensure these defenses are even stronger through activating the security feature, stronger passwords, and smart online behavior.

The National Institute of Standards and Technology (NIST) released updated guidance on passwords.

NIST suggested these three steps to build a better password:

Create a Strong Password in Three Steps

- Benefits of Association. Items that have an association, relationship or meaning to you are so much easier to remember.
  - Make the associations unique to you. Passphrases are a combination of words that can go together, but no one else would ever suspect. My example: TheSalmonWallsHadToGo. The use of numbers and characters will make it even tougher to crack, i.e. TheSalmonWallsHadToGo1. Never use the names of your children or pets.
- Picture this. Create a passphrase that you can picture in your head. In my example, I can picture these hideous salmon colored walls that were very offensive. The passphrase would be

Increase Productivity with Remote Client

PenSoft Remote Client is an ancillary service of PenSoft Payroll with all the features necessary for managing employees, entering hours worked, tracking and disbursing deductions and benefits, and providing easy access to reports. PenSoft Remote Client allows information to flow seamlessly through for processing.

Try Remote Client for 30 Days- For FREE

PenSoft Remote Client gives you the features to stay productive and maintain the highest levels of security with end-to-end encryption to keep the data you send safe from unauthorized access. Streamline your data entry process with PenSoft Remote Client for employees with all income types including job-costing. With the web based

data transmission you can save time associated with retrieving data correctly from stakeholders. By importing the file directly into PenSoft Payroll it reduces the risk of incorrect information and transcription errors.

Once you have enrolled, register your stakeholders via a simple online process. Stakeholders download and install the remote client application and can gain access to the secure website using their specific usernames and passwords, giving you complete control over the use of the service. Once granted access, stakeholders can modify their employee list, and enter time, and leave information. When the

President's Corner

Leroy Newman
President & CEO

2020 PenSoft Payroll is under development for the scheduled December 16. 2019 distribution date. As we move into the digital age, an increasing number of States are mandating e-filing and penalizing employers for submitting printed forms. All State agencies now accept e-filing in one method or another. As PenSoft Payroll aligns with the State agencies' e-file requirements, we will replace the forms with worksheets you may print for your files.

Retirement

Melinee' Cody, PenSoft's Director of Support & Training, retired after 21 years on August 2, 2019. She came to us with a degree in information technology and several years' experience in various accounting activities. Melinee' was initially hired to provide product support to our customers. In 2001 she completed the requirements and passed the American Payroll Association Certified Payroll Professional (CPP) exam. In 2004 Melinee' was promoted to Director of Support & Training where she excelled until her retirement. She led her team in providing outstanding customer program support. Additionally, among other activities, she was instrumental in development and execution of an in-depth testing program for changes to PenSoft Payroll.

Melinee' has been very active in the American Payroll Association at the national, state and local levels serving in several different capacities throughout the years. At her retirement event she stated she planned to remain active in the APA and spend more time with her family.

We wish Melinee' the very best health and happiness in her retirement. Thanks for your 21 years of dedicated service to PenSoft and congratulations!

Restructuring PenSoft

To better serve our customers we are restructuring PenSoft. The new Customer Relations Department is responsible for all customer communications to include program support and product and service orders and fulfillment.

We are proud to announce Heidi Heretick, previous Director of Sales and Marketing, is now the Director of Customer Relations. During her 19 years at PenSoft Heidi has demonstrated strong leadership skills with her ability to motivate and lead without having to exercise authority unduly. She fosters innovation and implementation of new approaches while promoting an atmosphere of professionalism. Congratulations Heidi! We are excited for what your future holds.

Wendy Gay, CPP, Level 3 Program Consultant, was promoted to Lead Program Consultant. Her responsibilities include, among other things, internal and external training and taking on the most challenging of customer support issues. Her effective communication skills and excellent customer service skills have prepared her to take on this leadership role. Congratulations Wendy!

Ask Customer Relations how you can more efficiently use PenSoft Payroll in your situation. There are many ways to learn about additional capabilities. PenSoft offers myriad opportunities including free webinars and for fee one-on-one training sessions.

Employee Milestone

Debbe Taylor, programmer, celebrated 15 years at PenSoft. As part of the development team she has been involved in programming PenSoft Payroll, PenSoft services, and internal software. She came to PenSoft with a degree in information technology providing a foundation for her programming projects. She prides herself in working with employees throughout the company to provide excellent updates in company software. Congratulations on 15 years of outstanding contributions to PenSoft!

Remote Client, continued from page 1

data entry is submitted, and the payroll administrator can then retrieve and process the data when convenient.

The process for subscribing is easy, you enroll your company in Remote Client. Monthly fees are automatically debited for a month with any activity. Fees are $0.10 per payroll record (individual employee payroll record) processed with a minimum monthly fee of $10 for payroll records and all other service activity per Remote Client. Fees are automatically paid via EFT from your designated bank account.

Benefits of Remote Client

- Replaces outdated & error prone methods of collecting payroll data.
- Saves time by eliminating duplicate data entry.
- Saves money by streamlining the sending of reports to stakeholders.
- Access data when it's convenient for either party.

The remote data system allows you to share data using the internet and a separate remote client program. For complete details about the remote data system visit **www.pensoft.com/services/remoteclient**

2020 PenSoft Payroll

It may be hard to believe, but 2019 is already halfway over. This means we are starting our prepping process for 2020 PenSoft Payroll!

2020 PenSoft Payroll will be available for download December 16, 2019! All necessary information required to download, install, and register 2020 PenSoft Payroll will be included in the e-mail notifications sent on December 16th!

2019 Tax Forms

Also, don't forget your tax forms! Our tax form packages are GUARANTEED compatible with PenSoft Payroll! Prepaid tax forms will ship on or before November 11, 2019. Order TODAY! Please check your tax form package as soon as you receive it!

Please note, there are no returns or exchanges on tax forms.

Q&A

Q. A support consultant stated when I submit the e-file to PenSoft I will need to fax a completed Form 8879 (other than Reporting Agents). Where can I find the form in PenSoft Payroll?

A. When filing as a Practitioner PIN Originator you must complete Form 8879-EMP and fax it to 757-243-8711 before the file can be transmitted to the IRS. Form 8879-EMP authorizes PenSoft to send the file on your behalf. The form is automatically generated when you click the Form 8879-EMP button on the E-File (MEF94x) Submission window. All relevant data is pre-filled on the form. Sign the form where it says "Taxpayer's signature" in Part II. Do not complete or place marks in any other part of the form.

Q. Our accountant updated our GL account numbers. I want to provide our accountant with our current GL numbers so he can provide the updated information for us to enter in. Can I generate a report in PenSoft Payroll with this information?

A. Yes, you can generate a report in PenSoft Payroll for each of the data setups listing the GL account numbers assigned.

To generate the report:

- Click Export on the toolbar.
- Highlight you desired export format (e.g.Quickbooks)
- Click OK
- Click Setup
- Check the payroll categories you want included
- Click Report in the bottom left hand part of the screen
- Click Print to print the report for your accountant.

Q. One of our patrons tipped their server with tickets to a NBA game. Our accountant instructed us both direct and indirect tipped employees must be reported. How do I setup the non-cash tip to be included in gross income and subject to federal income taxes but not subject to FICA. We have no state income tax.

A. Due to the complexity of setting up the tax configuration, we strongly encourage you to contact Program Support to be walked through the setup and testing of the user-defined income. Consult with your accountant to ensure the information is flowing to the employment tax reports correctly.

To add a user-definited income for non-cash tips:

- Click Company on the toolbar.
- Highlight the desired company.
- Click Setup.
- Click Payroll Incomes.
- Click Add on the Payroll Incomes window.
- Give the new income a title and abbreviation for the non-cash tip.
- Click "Non-monetary income" under Options.
- In the calculation drop down box under Default Setup select "Variable Amount".
- Enter the Amount as "0".
- Remove check marks from the following: social security-company, social security-employee, medicare-company, and medicare-employee.
- Click OK to save.

Q. An employee borrowed additional money. How do I increase an employee load "cutoff" and carryover amounts to reflect the correct amounts at year-end?

A. To increase the cutoff amounts to reflect the current amount owed:

- Click Personnel on the toolbar.
- Highlight the desired personnel to update.
- Click Setup.
- Click Deductions.
- Highlight the loan to modify.
- Click Modify.
- Under Cutoff, adjust the amount to reflect the new balance.
- Leave the checkmark in "Carry any balance forward for next year"
- Click OK
- Click Close on the deduction window
- Click Close on the Employee Setup window.

Passwords, continued from page 1

hard for a cybercriminal to guess especially since I repainted them but easy for me to remember. (No, I do not use this passphrase anywhere!)

Professionally speaking, as an employer, it is your responsibility to be an advocate for protecting your organization's online safety and security. As part of the month-long campaign, the National Cybersecurity Alliance dedicates one week to educate businesses on shared responsibilities of online safety and security that are based on NIST Cybersecurity Framework.

PenSoft recommends visiting the NCSA site Keep My Business Secure at **https://staysafeonline.org/** to access the FREE valuable resource tools and sign up for their monthly newsletter to keep abreast of important events in cybersecurity.

Together we can put up a strong defense against identity theft to protect the data of our employees and customers.

All About Passwords…Dictionary Attacks & Password Changes

One of the ways hackers will attempt to compromise a user's account is through what's known as a "dictionary attack". On its face, a dictionary attack simply walks through all the words in a dictionary and applies them against a target user account. This type of attack was particularly effective in the early days of computing, when many people didn't understand the threat automated attacks presented. These days we're asked to use mixed case letters, but also numbers and special characters in our passwords as a means to mitigate dictionary attacks.

Another good way to avoid being compromised by a simple dictionary attack is to string together several dictionary words into one long password. Password length is by far the most effective way to thwart someone guessing your password. A password like "SunCoffeeDogPaper" would be hard to guess, but easy to remember if it was reminiscent of your morning routine.

Microsoft has recently suggested frequent password changes are not as effective as other means of account security. What they intend is that rather than changing passwords often, passwords should be strong enough to be secure, while not being re-used everywhere. You've almost certainly been the victim of a data breach somewhere, and it's possible the password you were using on the breached site was stored in a manner that allowed hackers to read it. By not re-using passwords, a breached password cannot be used against you elsewhere.

The site **https://haveibeenpwned.com/** has a database of several billion compromised passwords. Using the search function, you can determine if a password has been compromised (even if that password isn't associated with one of your accounts). Typing "daffodil" in the search box reveals someone has used that word, and it's been compromised. Typing in "SunCoffeeDogPaper" shows it has not (however you should NOT use this as your password). If you find one of your passwords has been compromised, you should change it as soon as possible, everywhere you use it.

State Agencies E-File Initiative Update

In recent years the state agencies have reached out to software developers for support with their e-file initiatives. The second quarter update for PenSoft Payroll included the conversion of non-file forms and print on forms to standardized worksheets.

While PenSoft placed a *"WARNING DO NOT FILE THIS FORM to remind employers not to file the form, states reported clients continued to send in the report for their quarterly filing. To align PenSoft Payroll with the state agencies e-file requirements, we removed the ability to generate or print on preprinted forms. The information is provided on a worksheet format.

Per specification provided by the state agencies, employers have multiple options for submitting their quarterly tax returns through the employer portal.

State reports impacted by the initiative included:

- CT UC2/UC5
- DC UC-30
- IA IWD 65-5300
- ID TAX020
- IN UC-5A/B
- LA ES-4/ES 61
- MD OUI 15/16
- MI UIA 1028
- ND SFN 41263
- NV RPT3795/ NEW0098
- NY NYS-45
- OH JFS 20127
- OK OES -3
- TN LB-0456/0851
- TX Form C-3/4
- UT 33H*Effective July 1, 2019
- VT C-101
- WA EMS 5208 A/B