



2022 Year-End Planning Guide



November 2022

Dear Client:

Enclosed you will find our 2022 planning guide. Please use this guide to ensure a smooth and accurate year-end. **You must return the PLANNING GUIDE CHECKLIST at the end of this guide to our office by Friday, December 2, 2022.** If you intend to process any special/ adjustment payroll(s) affecting payroll data for the year 2022, please make sure you indicate you will have changes on line 3 on the checklist found on **pages 14 and 15** of this guide and call your payroll representative to add any necessary check dates.

Please read through the next few pages carefully and utilize the checklist to be sure you have reviewed all items presented. Also, pay special attention to the client reminder sheet to make sure you have done everything necessary to have an accurate year end.

If you are a client "New" to Paypro in 2022 and converted mid-year, please be sure the information provided at conversion time is accurate. Verify that all your employees' wages and taxes are correct in the system.

Please feel free to call or write anytime with any questions, comments, or suggestions you may have. Client feedback is always appreciated and will help us continue to provide you with the best service, support, and solutions.

All of us at Paypro would like to wish you and your organization a happy and healthy holiday season.

Sincerely,

PAYPRO CORP.

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How To Use This Guide

This guide is provided to assist you in remembering all of your year-end adjustments. We strongly recommend you review all of this information carefully. Please review this guide with your accounting department or accounting firm.

Please Remember:

All adjustments made after December 26, 2022 may result in penalties from tax agencies and additional charges by Paypro for correcting or revising returns, etc.

Paypro will begin processing quarterly returns and W-2's immediately following your last scheduled payroll for 2022. If you plan on having changes, you must notify us in writing by completing the **PLANNING GUIDE CHECKLIST** at the end of this guide by **December 2, 2022.**

Once quarterlies and W-2's are processed any requests for re-runs there is an additional fee, please contact your Sandata representative about these additional fees.



How do I determine which payroll is the final payroll of the year?

For W-2 earnings and tax purposes, payroll checks dated December 31st and earlier are considered **2022** earnings. Checks dated January 1st or later are considered **2023** earnings. Therefore, your last payroll dated in the month of December is your final payroll.

Which items will affect the accuracy of my W-2 forms?

• Third Party Sick Pay:

Contact your disability insurance carrier for summaries of all sick pay made by a third party. Review the information provided by your insurance carrier. **IMPORTANT: ONLY RECORD OR PROVIDE PAYPRO WITH DISABILITY PAYMENTS TO BE INCLUDED ON YOUR EMPLOYEE'S W2.** If you have entered third party sick pay throughout the year, **ONLY** enter or report to Paypro the additional amounts. If you have a question about what to enter, contact your payroll representative. This information must be reported so your employee's year to date earnings is correct. The employer's portion of FICA must be deposited, as well as reported in the 4th quarter for accurate quarterly returns and W-2's.

• Manual Checks:

Verify that all manual payroll checks have been included and reported during the year.

• Fringe Benefits:

Please check with your accounting department or accounting firm to determine if any adjustments/payments for fringe benefits need to be recorded. Fringe benefits include personal use of company car, group term life insurance, subchapter S corporation medical insurance premiums, reimbursement for moving expenses and dependent care benefits.

• Void Checks:

Verify that any payroll checks that were voided throughout 2022 have been voided in your records. If you need to void a check for a terminated employee, make sure there is enough wages reported in the current quarter to offset the voided check(s). **YOUR QUARTERLY RETURNS CANNOT BE FILED WITH NEGATIVE WAGES REPORTED FOR ANY EMPLOYEES.** Should you need further clarification, please contact your payroll representative.

• Bonus Checks/Additional Payrolls

Companies preparing bonus payrolls should advise their payroll representative of exactly how these items will be taxed and should notify Paypro at least 5 business days prior to check date. Remember to block any automatic deductions or earnings if applicable. If you are a **FAX/AUTO** client, submit the attached **Bonus Deductions Edit Form** to your payroll representative, so that your bonuses are issued correctly.

If your payroll throughout the year is 30% higher than normal a wire will be required.



Payroll Adjustment Information

Year End/Bonus Payroll adjustments processed during the months of November and December will be billed at the standard Batch2 fee plus normal processing and delivery fees.

Year End Payroll adjustments processed between **December 26, 2022 through January 5, 2023** will be billed at a different Batch2 fee plus normal processing and delivery fees. Please contact your Sandata representative for pricing information.

After January 5, 2023, additional 2022 payrolls will be processed starting February 2023, requiring amended tax returns and W-2 Corrections.

Important Update to Adjustment Requests for Tax Year 2022

All adjustment requests must be made through the Paypro Client Portal at www.payprocorp.net.

Paypro will not accept paper adjustment request forms that are faxed or scanned to us. If you do not submit your adjustment request on the Paypro Client Portal, the adjustment will not be processed.

Please visit the following link to view a detailed instruction page for submitting your adjustment requests electronically.

<https://www.payprocorp.net/members/>

Potential Penalties and Interest for Late Payments

If you are increasing your payroll liability for the fourth quarter with an adjustment processed after December 31, 2022, the additional taxes due will be late and your company is responsible for any and all penalties and interest applicable to this situation. Also, should the federal liabilities of any adjustment processed after your last normal payroll of December 2022 results in the new aggregate federal liabilities exceeding \$100,000, the total taxes will be considered late, and your company is responsible for any and all penalties and interest applicable to this situation.

Payroll Tax Refunds from Year-End Adjustments

If you are decreasing your payroll liability for the fourth quarter with an adjustment made after your last normal payroll processed, any overpayment of taxes will be refunded to you directly from the tax agency involved.

Payroll Liabilities for Bonus and Year End Payrolls

Should you need to process a payroll for year-end bonuses and/or adjustments, either as a separate process or included in a normal payroll cycle, please be aware that you will be required to do a bank wire or Reverse Wire. A reverse wire is a transaction in which the client authorizes Paypro to withdraw funds from the client's account via a wire transfer. The



client will have to submit two reverse wire forms executed by themselves and their bank ('Paypro Client Agreement – Authorization to Debit by Reverse Wire' and 'Paypro Client's Bank Agreement – Confirmation of Reverse Wire Setup'). Once I (the client) submit the forms the set-up process would be complete and Paypro can debit the funds from the client's account when necessary.

As a reminder: We will require a wire/reverse wire if the corresponding taxes and direct deposits related to that process is 30% higher than your normal payroll taxes and direct deposit liabilities. In addition, please make sure you schedule any additional payroll processes with at least 5 business days before the check date.

Please consult with your payroll specialist beforehand if you believe this may apply to your company.



NEW YORK STATE PAID FAMILY LEAVE ACT



Paid Family Leave (PFL), is a law enacted by the State of New York that was effective as of January 1, 2018. It allows employees to take paid time off for certain qualifying events and offers job protection. The benefit phases in the next 4 years, beginning with 10 weeks in 2022 and at its peak in 2023, will allow 12 weeks of paid leave at 67% of average weekly pay, dictated by the State of New York. The same carrier administering your DBL coverage will also administer the PFL coverage.

All employers must offer this benefit to their employees, regardless of the number of employees on the payroll.

Paypro can also assist with managing this plan for you. Paypro is fully versed and licensed to sell DBL/PFL coverage in the State of New York. We can financially evaluate your DBL policy and administer the deductions seamlessly for the DBL/PFL coverage.



ACA Filing Requirements for 2022



Employer-Sponsored Health Coverage Reporting Forms – IRS Form 1094C and 1095C

The Affordable Care Act requires employers who are an Applicable Large Employer, (“ALE”) with 50 or more full time employees (including full time equivalents), to report the coverage offered to all benefit’s eligible employees to their employees and the IRS under an employer-sponsored group health plan. **Whether you have fully, or self-insured benefits plans, you are required to file these forms with the IRS.**

For the calendar year ending 2022, the IRS now requires ALE employers to provide IRS form **1095C** to all benefit eligible employees. Part 1 and 2 of this form must be completed for **fully insured** plans; Part 1, 2 and 3 of this form must be completed for all **self-insured plans**.

The **1094C** form is the transmittal form which must be completed and submitted to the IRS.

ALE Employers are required to provide form 1095C to their employees for the calendar year 2022 by March 2, 2023. Form 1094C is due to be filed to the IRS by March 31, 2023.

Paypro can provide you with the applicable 1095C form and the electronic filing of the 1094C form. Please contact your Sandata representative for pricing information for 1095C forms and 1094C electronic filing.

To ensure timely processing of the forms, please populate the ACA information in the payroll system by December 9, 2022.

In addition, please check circle Yes on line 8 of the Planning Guide Check List if you wish for Paypro to produce and file your ACA forms.

Paypro Benefits Clients

If you are a Paypro benefits client, your dedicated Benefit/HR Specialist will be entering your codes, amounts and detail into the payroll system for completion of the forms. Once your Specialist has completed the input of the detail for the tax forms, you will be contacted to review, approve and submit to Paypro for processing.

Please reach out to your Benefit/HR Specialist with any questions/concerns you may have regarding your benefits plans, or the ACA codes by emailing Benefits@payprocorp.com



Cost of Employer-Sponsored Health Coverage – Form W-2 Reporting



The Affordable Care Act requires employers to report the cost of coverage under an employer-sponsored group health plan. Reporting the cost of health care coverage on the Form W-2 does not mean that the coverage is taxable. The value of the employer's excludable contribution to health coverage continues to be excludable from an employee's income, and it is not taxable. This reporting is for informational purposes only and will provide employees useful and comparable consumer information on the cost of their health care coverage.

Employers that provide "applicable employer-sponsored coverage" under a group health plan are subject to the reporting requirement. This includes businesses, tax-exempt organizations, and federal, state and local government entities (except with respect to plans maintained primarily for members of the military and their families).

Reporting on the Form W-2

The value of the health care coverage will be reported in Box 12 of the Form W-2, with Code DD to identify the amount. There is no reporting on the Form W-3 of the total of these amounts for all the employer's employees.

In general, the amount reported should include both the portion paid by the employer and the portion paid by the employee.

An employer is not required to issue a Form W-2 solely to report the value of the healthcare coverage for retirees or other employees or former employees to whom the employer would not otherwise provide a Form W-2.

Paypro can provide you with a spreadsheet/template to record your employee's healthcare coverage that can be imported onto your W-2s. Please complete the HCC Import Authorization form at the end of this guide if you would like this service. Should you need more information, please contact your payroll specialist.



W-2 Edit Report

Please run your W2 edit report to verify:

- Spelling of employees' first and last names
- Accuracy of Social Security numbers—Please review ALL employees Social Security numbers. For your convenience we have attached to the W-2 Edit Report a list of employees who may have an incorrect Social Security number. This list may not be complete.

Incorrect Social Security numbers will cause penalties to be imposed by the Social Security Administration

Note: Every employee MUST have a unique Social Security Number

- Accuracy of employee addresses
- Employee's pension participation
- Indication of whether the employee is overtime exempt or not

To All PC/Web Clients - Since you have access to your employee's data, you must correct any errors you find. Accordingly, should you have any questions about how to make the correction, please contact your payroll representative. **PAYPRO WILL NOT BE RESPONSIBLE FOR MAKING ANY CORRECTIONS FOR PC/Web CLIENTS.*

Please review the "W-2 Box Check" report we have provided. If there are earning or deduction codes which should be displayed in a particular box, please indicate as such and return to us as soon as possible. You should contact your tax advisor with any questions regarding these items.

W-2 PREVIEWS

If you would like to PREVIEW your W-2's for 2022, please circle YES for number 1 on the "Planning Guide Checklist" found on page 14. Please contact your Sandata Representative for W-2 Preview pricing information. Only requests for ALL employees can be granted; we cannot provide previews for just one individual.

Please note: W-2 previews will reflect your employees' earnings through the payroll processed at the time of the request. THEY WILL NOT BE THE FINAL FIGURES RECORDED ON YOUR EMPLOYEES' FINAL W-2.

Notify Paypro in writing of any other employee information which pertains to your W-2 forms.



W-2 Processing, Year End Adjustments, and W-2 Sort Order



We will begin processing 2022 W-2 forms the first week of January 2023, unless you specify otherwise to us in writing. If you specify that you will have a Year End Adjustment, we will hold off on processing your W-2's until January 5, 2023. See line number 4 on the Planning Guide Checklist on Page 14.

If you require a year end adjustment, you will have to submit a request on the Paypro Client Portal (www.payprocorp.net) to have us create the 12/31/2022 payroll for you. Once received, the Paypro Tax Department will set up a 12/31/2022 check date for you to enter your information. **It will be your responsibility to enter all data on the 12/31/2022 year end adjustment, and to verify all earnings/deductions/taxes entered are correct.**

You will have until end of business day (5pm) on January 5, 2023 to submit and/or confirm in writing with Paypro that your year-end adjustment entries are ready to be processed. Paypro will finalize all backdated year-end adjustments dated 12/31/2022.

After January 5, 2023, any year-end adjustments not submitted to us will be deleted and have to be re-requested to be processed starting February 2023.

After January 5, 2023, requests for additional 2022 payrolls and adjustments will not be processed until February 2023.

Any 2022 payroll adjustments handled in February 2023 or later, will require W-2 corrections and amended tax returns (with applicable billing).

When we process your W-2 forms they will be sealed and sorted in alphabetical order, last name, first name. If you wish, we can sort your W-2's by department then last name, first name. **If you would like your W-2's sorted by department, please indicate so by checking off number 5 on the "Planning Guide Checklist" attached.** Please contact your Sandata representative for the W-2 processing cost.

You've Got Paid Subscribers

Paypro will provide You've Got Paid subscribers with a PDF version of the employees W-2's on their account at no additional charge. Please contact your payroll rep for more information about Paypro's You've Got Paid Employee Self Service System. **The PDF versions of W-2's will be available to all You've Got Paid subscribers in February 2023.**

PDF W-2's

Paypro can provide you with a copy of your Employee's W-2's on our Paypro Client Portal (www.payprocorp.net). W-2's in a PDF format provide you with an opportunity to reduce your time spent organizing, copying, locating and distributing a W-2 for your employees. You can look up your employee by name or social security number, etc. and re-print any W-2 when needed. **Please contact your Sandata Representative for pricing information on PDF W-2's online.** If you're interested in W-2's online, please circle YES for number 7 on the "Planning Guide Checklist".

Please Note: PDF W-2's will not be generated until February 2023. This is a PDF copy of the employers W-2's on paper.



1099 Processing



Processing 1099 NEC Forms Only:

Paypro can report your 1099 NEC payments for non-employee compensation to the Internal Revenue Service. **Effective year 2021, Paypro Corporation will no longer report 1099 payments for Form 1099-MISC (rent, royalties, etc).** In order for us to provide you with 1099 NEC forms you must record the payments as an earnings code 1099 through the payroll system. Should you have a question regarding setting up this code or how to record your 1099 NEC payments, please contact your CSR. **Remember, employees cannot be paid regular earnings and 1099 earnings under the same employee I.D.** For 1099 billing fees please contact your Sandata Representative. If you would like Paypro to prepare your 1099 forms please circle **YES** on number **2A** on the “Planning Guide Checklist” attached. **Paypro is not responsible for determining which individuals qualify as a non-employee. Please consult with your accountant or tax advisor with respect to the IRS rules concerning independent contractors.** *Please Note: All 1099 payrolls must be entered by January 5, 2023, as they must be given out by January 31, 2023 (the same as W-2’s). 1099 forms will not be generated until approximately the last two weeks of January.*

PDF 1099’s NEC

Paypro can provide you with a copy of your non-employees’ 1099’s on our Paypro Client Portal (www.payprocorp.net). You can look up your non-employee by name or social security number and re-print any 1099 when needed. **For access to 1099’s online please contact your Sandata Representative for pricing information.** If you’re interested in 1099’s online, please circle **YES** on number **2B** on the “Planning Guide Checklist”. ***Please Note: 1099’s online will not be generated until February 2023.***



W-2 Reference Guide

Below is a quick reference listing of identification codes used in Box 12:

Box 12 Code	Description
A	Uncollected social security or RRTA tax on tips
B	Uncollected Medicare tax on tips (but not Additional Medicare Tax)
C	Taxable cost of group-term life insurance over \$50,000
D	Elective deferrals under a section 401(k) cash or deferred arrangement plan (including a SIMPLE 401(k) arrangement)
E	Elective deferrals under a section 403(b) salary reduction agreement
F	Elective deferrals under a section 408(k)(6) salary reduction SEP
G	Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan
H	Elective deferrals to a section 501(c)(18)(D) tax-exempt organization plan
J	Nontaxable sick pay
K	20% excise tax on excess golden parachute payments
L	Substantiated employee business expense reimbursements
M	Uncollected social security or RRTA tax on taxable cost of group-term life insurance over \$50,000 (former employees only)
N	Uncollected Medicare tax on taxable cost of group-term life insurance over \$50,000 (but not Additional Medicare Tax) (former employees only)
P	Excludable moving expense reimbursements paid directly to members of the Armed Forces
Q	Nontaxable combat pay
R	Employer contributions to an Archer MSA
S	Employee salary reduction contributions under a section 408(p) SIMPLE plan
T	Adoption benefits
V	Income from exercise of nonstatutory stock option(s)
W	Employer contributions (including employee contributions through a cafeteria plan) to an employee's health savings account (HSA)
Y	Deferrals under a section 409A nonqualified deferred compensation plan
Z	Income under a nonqualified deferred compensation plan that fails to satisfy section 409A
AA	Designated Roth contributions under a section 401(k) plan
BB	Designated Roth contributions under a section 403(b) plan
DD	Cost of employer-sponsored health coverage
EE	Designated Roth contributions under a governmental section 457(b) plan
FF	Permitted benefits under a qualified small employer health reimbursement arrangement
GG	Income from qualified equity grants under section 83(i)
HH	Aggregate deferrals under section 83(i) elections as of the close of the calendar year

Contact your tax advisor for advice on how to identify wages and benefits on Form W-2. Be sure to notify your payroll representative as early as possible.

For any additional payrolls that need to be processed outside your normal check dates for year-end please make sure to contact both your Sandata and Paypro representative to properly set up and provide the correct forms, check date, and import templates for the additional payroll. We would also ask for notification of five (5) business days prior to the processing day for these payroll runs.

IMPORTANT FILING UPDATES FOR TAX YEAR 2022

Paypro takes compliance very seriously and we are taking all necessary steps to make sure our clients STAY compliant. You need to be aware of the following changes:

- The Social Security Administration has changed the filing deadline of **W-2 Forms** to **January 31, 2023**. Previous years' deadline was March 31st.
- The Internal Revenue Service has changed the form required for non-employee compensation to Form 1099-NEC. The filing deadline of **1099-NEC** Forms has been changed to **January 31, 2023**. Paypro Corporation will no longer report Form 1099-MISC to the IRS.
- Companies are still required to give W-2's to their employees by January 31, 2023, (which is consistent with prior years).

What does this mean to Paypro's clients?

- The year-end adjustment deadline will be **January 5, 2023**. This deadline will be strictly adhered to as a result of the **January 31, 2023**, filing deadline imposed on us by the **Social Security Administration**.
- Any adjustment received after **January 5, 2023**, will be processed in **February/March 2023** and standard fees for adjustments, amended returns & W-2C's will apply, please contact your Sandata representative for any additional charges.

We are encouraging all our clients to take the time now to process their adjustments no later than 12/31/2022 in order to avoid additional fees for amended returns & W-2C's.

Some things you can do now to prepare for these early deadlines:

- The majority of year-end adjustments that we see relate to 3rd Party Sick, ("3PS"). Make sure you are entering this data into your payroll as you receive monthly/quarterly statements from your 3PS provider throughout the year. **Contact your 3PS providers NOW requesting your December 2022 statement ASAP so this can be entered into your payroll system**
- Record any manual checks you have issued in 2022.
- Make sure you void out any payroll checks issued in error.
- Record all of your company's fringe benefits prior to your last payroll run in 2022.



Date: _____

Paypro Company ID# (NYxxxx or PPCxxxx): _____

Company Name: _____

Authorized Client Rep (print name): _____

Authorized Client Signature: _____

PLANNING GUIDE CHECKLIST – Return to Paypro

THE CHECK SHEETS MUST BE EITHER POSTED TO THE CLIENT PORTAL AND AN EMAIL SENT TO hcs@payprocorp.com WHEN POSTED, OR ATTACHED AND EMAILED DIRECTLY TO hcs@payprocorp.com ON OR BEFORE **DECEMBER 2ND, 2022**.

PLEASE CIRCLE “YES” OR “NO” FOR EACH OF THE FOLLOWING QUESTIONS.

1. **YES / NO** - Please send me a preview of my 2022 W-2's (W-2 previews will only be processed up to December 9, 2022). I understand there is an additional charge, please contact your Sandata representative for pricing information. **Previews will only contain payroll information up to date of processing. If you have additional payrolls to process in 2022, they will NOT be included on the Previews.**
2. **1099 NEC Only Forms:**
 - a. **YES / NO** - I request Paypro to process my 1099 Forms. I understand these will be run before the end of January. I also understand I must distribute them by January 31, 2023. Please contact your Sandata representative for pricing information.
 - b. **YES / NO** - In addition to our normal 1099's on paper, please provide us with 1099's via PDF. I understand that there is an additional charge (please contact your Sandata representative for pricing information) and that they will be available separately from our paper 1099's in February.
3. **YES / NO** - I have reviewed my calendar and **will have changes** to my check dates, process dates or delivery dates due to the holiday or bonus payrolls. I have attached changes if needed. I understand this could affect month/quarter/year end reporting.
4. **YES / NO** -. Please indicate whether Paypro should keep your year open*. Selecting 'YES' only delays the creation of Forms W-2 and 1099 through January 5, 2023. After January 5, 2023, all companies' year-end forms and tax returns will be finalized. ****Selecting 'YES' to keep your year open does not eliminate billing for adjustments and/or amendments. Adjustments and back-dated year-end payrolls processed after 12/27/2022 will be billable regardless of written notification. If you require a 12/31/2022 check date to be created for a Year-End Adjustment, you must submit a request on the Paypro Client Portal (www.payprocorp.net). Log in, click on SERVICES, then E-Z ADJUSTMENT.**
5. W-2 Printing Options: Please check off the sort order:
 - a. _____ Alphabetical (default, no additional charge) ***CAN NOT split companies.
 - b. _____ By Department, then alphabetical ***CAN NOT split companies.



6. I request Paypro to mail through the US Postal Service employee copies of W2's/1099s/ACA forms directly to employees (please contact your Sandata representative for pricing information). If YES is selected all W2's, 1099, and ACA forms will be mailed directly to the employees through the US Postal Service:
- a. **Yes, please mail W2/1099/ACA forms directly to employee**
 - b. **No, please send W2/1099/ACA forms directly to Agency**

******If no, and sending to Agency, please confirm address to be sent to:**

7. **YES / NO** - In addition to the normal W-2 employer copy on paper, please provide us with W-2s online (PDF format). I understand there is an additional charge for setup and per employee (please contact your Sandata representative for pricing information) and that they will be available in February 2023. I understand that the W-2's in PDF format are separate from the employer paper copy that will be sent in January 2023.
8. **YES / NO** – I request Paypro to produce my ACA Forms. I understand that there is an additional charge for setup and a per form produced (please contact your Sandata representative for pricing information). I understand this must be completed by **December 9, 2022**. Any submission later than this will result in adjustments, fees, and possible late filings to the IRS and to my employees.
9. **YES / NO** – My company offers an ICHRA that will need to be reported on the Employees ACA forms.
10. **YES / NO** – I have New Jersey employees and want Paypro to file the additional New Jersey ACA forms with the state of New Jersey. I understand there is an additional fee for setup and a per form charge for producing and filing (please contact your Sandata representative for pricing information).
11. **YES / NO** – I request Paypro to update my employees' W-2's with my Health Care Coverage Costs. I understand this information will be added based on the spreadsheet I have provided to Paypro on or before December 16, 2022. I also understand there is a fee for Paypro to do this update (please contact your Sandata representative for pricing information).
12. **YES / NO** - I understand that if any of my payrolls during the year exceed my average amount by 30%, Paypro will require a wire of your payroll funds.
13. **YES / NO** – I understand all adjustments requests must be made through the Paypro client portal at www.payprocorp.net. Paypro will not accept paper adjustment request forms. **Login, click on SERVICES, then E-Z ADJUSTMENT.**



CLIENT REMINDER CHECKLIST

~THIS IS FOR THE CLIENT'S USE ONLY~

DO NOT RETURN THIS SHEET TO PAYPRO

1. ____ I have reviewed my W-2 Edit report. If I am a **PC/Web** client, I have made my employee changes on-site.
2. ____ My accounting dept. has reviewed the W-2 boxes. If there are any changes, I have faxed the changes to my Payroll Rep.
3. ____ I have verified that I have **Fringe Benefits**. I have verified the appropriate taxation and W-2 box designation. I understand this must be entered into payroll before I close my year.
4. ____ I have verified that all manual and voided checks have been posted.
5. ____ I contacted my insurance carrier re: **3rd party sick pay** and I will record the payments promptly.
6. ____ I have returned the Planning Guide Checklist to my Payroll Rep and have advised them whether or not I will have adjustments for 2022 and need to keep my year open.
7. ____ I have more than 50 full time employees, and I have populated the ACA tabs so that Paypro can produce these forms. I understand this must be completed by **December 9th, 2022. Any submission later than this will result in adjustments, fees and possible late filings to the IRS and to my employees.**
8. ____ I had more than 250 W-2's in 2022 and have entered my Health Care Costs into the payroll or have remitted the required spreadsheet to my Payroll Representative, so that these costs can be imported and reported on my W-2's for 2022.
9. ____ I have reviewed any annual limits I may have set up on my company with my CSR
10. ____ I have reviewed my time and labor/Payroll CSR how our accruals will carry over at year end.
11. ____ If I am a WorkforceOne accrual client, I have returned the Accrual Year-End Checklist to my Time and Labor specialist.



Health Care Cost Import Request

Date: _____ / _____ / _____

ATTENTION: Paypro Corporation – Customer Service Department

COMPANY NAME: _____, **ID #** _____

As discussed, I am authorizing Paypro Corporation to import the Health Care Cost figures onto our employees' 2022 W-2's, as required by the Affordable Care Act.

I will return the spreadsheet provided to me by Paypro, prior to December 16, 2022, so that this process can be done as an off-cycle payroll, via an import, utilizing the figures I have recorded in the HCC column of this document. I understand that since this is for W-2 reporting only, no paper vouchers or statements will be generated by this off cycle process.

I also understand that my spreadsheet must be emailed back to Paypro, to csr@payprocorp.com, by December 16, 2022, for it to be processed prior to the 2022 W-2's being issued.

SIGNATURE _____ **DATE** _____

Please list additional company ID's below:

Name _____	ID _____



WORKFORCEONE ONLY

FREQUENTLY ASKED YEAR-END ACCRUAL QUESTIONS

My employee's accrued time didn't zero out/carry over and accrue a new balance on January 1 like it was supposed to. What happened?

- **Does your employee have pending time off requests?** Pending time off requests will prevent the end-of-year rules from executing, as the system cannot identify the final balance to either carry over or zero out (depending on your settings).
- **Are your accruals pay period based?** If so, you will see the accrual rules execute when the timesheets are processed for the pay period that includes January 1 (if you manually execute accruals during your timesheet processing), on the first day of the new pay period (if they are on auto-run and award time at the beginning of the pay period), or on the last day of the new pay period (if they are on auto-run and award time at the end of the pay period). Check with your TLM Specialist if you aren't sure.

My employee took the day off on December 30th. Now that I'm back in the office on January 4th, I want to put that time off into their timesheet for the 30th, but...

- *Their 2022 balance is gone now.*
 - *Their 2022 balance is now in a different time off bucket.*
 - *Some of their accrued time carried over, but I needed this 2022 time off to factor into the carryover cap first.*
 - *After I entered the time for the 30th, it affected their new 2023 accruals.*
- What do I do?*

To prevent these scenarios before year-end:

- **Encourage all time offs to be recorded before the new year.** Ensure time taken through December 31st is entered on the employees' timesheets prior to the end of the day on December 31st. If your company uses the Time Off Request function, review unapproved requests and make sure they are approved by December 31st as well.
- **Paypro can turn off the auto-run rule for your accrual profiles**, which would put all actions (carryover, zeroing out, awarding of new time, etc.) on hold until you've finalized the timesheets and accrual balances. Once the last timesheets of the year are finalized, all accrual balances should then be ready to carry over or zero out (depending on your configurations). We will then turn the accruals back onto auto-run when you give us the go-ahead.
- **Paypro can set up a carryover bucket that is only active into the first week of the year**, if balances zero out but you still need to use them on the final timesheets of the year. This will allow you access to the carried over time in order to finalize the previous year while your employees' balances start fresh for the new year. Carryover buckets and balances will not be visible to employees.



To fix these scenarios after year-end:

- **Manually delete the carryover and new accruals for affected employees**, and then re-execute the accrual rules after you have finalized the previous year's timesheets. This is done within the employee's accrual history screen. Deleting accrual executions cannot be undone and should be handled very carefully. The following videos can assist with this effort.
 - [Understanding Carryover in Accrual Histories](#)
 - [Fixing Year-End Carryover Errors Within the Same Time Off Bucket](#)
 - [Fixing Year-End Carryover Errors Involving a Time Off and Time Off Carryover Bucket](#)
- **Paypro can delete the carryover and new accruals for affected employees**, and then re-execute the accrual rules after your previous year's timesheets have been finalized. This is a safer option if you aren't comfortable navigating the accrual history screen and would prefer a Paypro specialist do it for you.

What if my year-end accrual needs aren't options in WorkforceOne (i.e. I want balances to be rounded to specific increments before they carry over)?

- **Manually edit the balances** before or after the carryover action takes place. If you have "use by" dates programmed to expire the carryover time after a certain amount of time, you'll want to edit the balance before the carryover occurs. Otherwise, the system may "expire" the amount that was carried over and not the edited amount.
- **Paypro can import your corrected balances**, eliminating the need to manually edit each employee's time. In order to do this, accruals need auto-run turned off (see above) and timesheets for the previous year need to be finalized. Once you have your closing year-end accrual balances, export them from WorkforceOne and into Excel. Make the necessary edits to change the balances to be what you'd like carried over into the new year. Paypro will import these balances as of December 31 and then turn auto-run back on. Your edited balances will carry over into the new year.

Can I review the carryover and new balances prior to making them visible to my employees in the new year?

- **Paypro can temporarily turn off visibility of accruals to employees**, which would allow you time to review and/or make any corrections before they are "live" to the staff.

How do I make an exception to our "must use carryover by" policy for a specific employee or group of people?

- **Manually return the time to the employee when the system removes it** by making a balance adjustment.
- **Paypro can create a new accrual profile for you to assign to the employee(s) in question**, with different or eliminated use-by dates for the carryover. Please contact your Sandata representative for pricing information.



If time off is used in 2022 but paid on a check in 2023, why is it not showing as taken time in 2023?

- **The accrual reporting is based on when time was taken, not paid.** Once a new accrual year starts, your accrual data starts fresh and therefore taken time is reported as of January 1.

How can I see what dates have been taken off by a specific employee?

- **Within the accrual widget in their employee profile,** click the hyperlinked number of hours/days in the Taken column. This will show you all of the time taken under that time off for the year-to-date.
- **In My Reports > My Saved Reports,** search “Time Off Taken Report” in the “Saved as Name” field. This report defaults to show all employees’ time offs, except holidays, for the entire calendar year. You can narrow down the information by filtering for the certain employee(s), date ranges, and time offs you are looking for.

Please take a moment to fill out the planning guide on the following page and return it to your TLM Specialist before Friday, December 9, 2022.



WORKFORCEONE ACCRUAL YEAR-END CHECKLIST- Return to Paypro

Company #: _____ Company Name: _____ TLM Rep: _____

Client Signature _____

MUST BE RETURNED ON OR BEFORE December 9, 2022 **PLEASE CIRCLE "YES" OR "NO" FOR THE BELOW QUESTIONS. #5 IF YES PLEASE CIRCLE "DIFFERENT" OR "ELIMINATED"**

1. **YES / NO** - Please turn off the auto-run function of our accrual profiles between ____ / ____/20__ and ____ / ____/20__. I understand there is a \$75 fee per accrual profile.
2. **YES / NO** - Please modify our accrual profiles so that instead of the balance zeroing out at the end of the year, it carries over into a new bucket for our use in finalizing 2022's timesheets. It then clears out after payroll is finalized. I understand that I must contact my Sandata representative for pricing information and that I must request this configuration change by December 9.
3. **YES / NO** - Please turn off visibility of accrual balances to employees between ____ / ____/20__ and ____ / ____/20__ so we can review carryover and/or new accrual amounts. I understand that I must contact my Sandata representative for pricing information.
4. **YES / NO** - Please import my corrections to balances that should be carried over from 2022 to 2023. I understand that I must contact my Sandata representative for pricing information to turn off auto-run.
5. **YES / NO** - Please create a new accrual policy with DIFFERENT / ELIMINATED use-by dates for carried over time. . I understand that I must contact my Sandata representative for pricing information and that I must request this configuration change by December 10.
6. **YES / NO** - Please leave our accruals as is. I understand that adjustments I may need after the new year may incur additional service fees.

Please return this entire page by email to your TLM Specialist.

Paypro Use Only:

PAYPRO RECEIPT DATE _____ / _____ / _____

PAYPRO APPROVAL _____

