

Optimum Windows Suite Year-End Processing Guide 2020

Year End Edition as of 11/30/20

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The most recent version of this Year End Windows Processing Guide and Appendices can be found on our Support Site at link: <https://support.optimum-solutions.com/windows-suite-year-end-processing/>

What's New for 2020

- W2 - COVID-19 Qualified Sick Wages and Qualified Leave Wage reported in Box 14 of the 2020 W2 or separate form. <https://www.irs.gov/pub/irs-drop/n-20-54.pdf>
- Permit employers to voluntarily truncate employees' social security number (SSNs) on copies of Form W2. Here is the [link](#) to the ruling.
- Redesign of Form 1099-MISC. to Form 1099-NEC. <https://www.irs.gov/instructions/i1099misc>

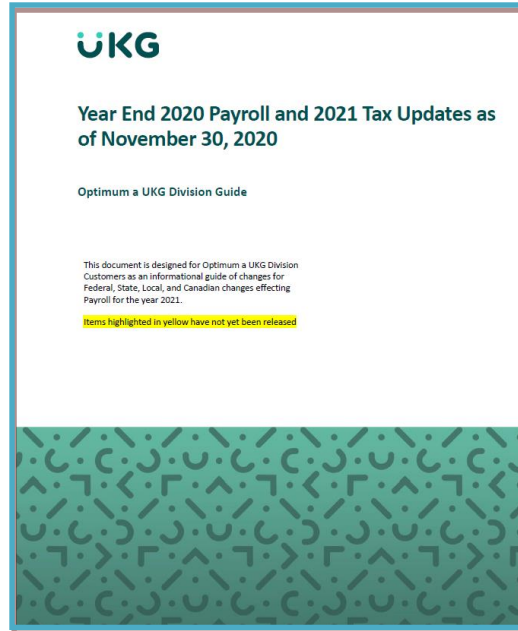
January 31 will remain filing deadline for BOTH electronic and paper forms W-2.

Be sure you find out your state deadline, as many of them have also changed.

Form 1099-NEC and 1099-Misc - Section 6071(c) requires you to file Form 1099-NEC on or before February 1, 2021, using either paper or electronic filing procedures. File Form 1099-MISC by March 1, 2021, if you file on paper, or March 31, 2021, if you file electronically.

<https://www.ssa.gov/employer/accuwage/>

AccuWage Online provides a user-friendly option for testing wage reports in the current EFW2/EFW2C formats. AccuWage Online is accessed by logging on to Business Services Online and going to the Employer Wage Reporting webpage. You will need to log in with your BSO username and password. AccuWage Online is the fourth tab. Click [here](#) to get started using the AccuWage Online application. For more information, please see the AccuWage Online Help Guide.



As we get closer to December, refer to the **Year End Payroll and Tax Updates Optimum Solutions Guide**. This document is regularly updated and available on Optimum's support website at <https://support.optimum-solutions.com/windows-suite-year-end-processing/>

What's New for 2021

Social Security Wage Base in 2021

The 2021 social security wage base will increase to \$142,800. The maximum withholding for OASDI tax at a rate of 6.2% will be \$8,853.60. Employers match the employee amount with an equal contribution.

2021 Pension Plan Limit Amounts –

The limitation on the exclusion for elective deferrals described in Section 402(g)(3)—for 401(k)-type plans, most 457 plans, and the federal government's Thrift Savings Plan **will remain \$19,500, and the catch up contribution for employees over age 50 remains at \$6,500.**

HSA limits for 2021

- Maximum annual contribution for self only -- \$3,600
- Maximum annual contribution for family -- \$7,200
- Catch up contribution for 55 and older – \$1,000
- HDHP minimum deductibles for individual -- \$1,400; family -- \$2,800
- HDHP maximum out of pocket amounts for individual -- \$7,000; family -- \$14,000

FSA limits for 2021

- Health FSA limit is unchanged at 2,750.
- Employers may amend cafeteria plans to allow employees to carryover up to \$550 of unused amounts in a health FSA as of the end of a plan year.

State changes for 2021 announced to date

- Many States accelerating employer Form W-2 filing deadlines.
- See the 2020 Legislative and Tax Updates document, updated regularly.

Check Optimum's support website at <http://support.optimum-solutions.com/> for more changes.

Year-End Processing

Have a Plan - Year-End is a process that can be made simple if you prepare. Does Payroll own year-end preparation? The payroll department is ultimately responsible and accountable, but other areas of your organization must be involved and working together to assure a successful year end! Listed below are suggestions to assist you in a successful year end process:

- Establish a year end committee with representatives from:
 - a. Payroll
 - b. Human Resources
 - c. Accounting
 - d. Tax
 - e. Information Technology (in-house or outside consultants)
 - f. Mail Room (postage)
 - g. Outside vendors (i.e. Third-party sick pay vendors)
- Plan your schedule carefully around your holidays. Make sure you have adequate staff coverage during year-end.
- Review last year's notes and reports. Make sure any issues that came up were resolved properly so they don't "haunt" you again this year.
- Always remember to verify your information every payroll and at the end of each quarter. This will guarantee a smoother year end. Remember your W-2's should balance back to the 4 quarters of the 941's you filed. If they do not, they will be returned for correction.
- Identify taxable benefits that need to be applied prior to processing your final payroll of the year. Do you have third-party vendors that you rely on to report information back to you?
- Order the necessary number of W-2 forms by early December or before.
- Sweat the small stuff!
 - ✓ Ask your employees to verify that all information on their checks is accurate including reviewing the number of allowances they claim and completing a new W-4 form if that number will change in the new year.
 - ✓ Verify that the employee information matches what is on file with the SSA.
 - ✓ Verify the legal name, address and FEIN of your companies.
 - ✓ Verify your State & Federal unemployment rates; research and resolve problems; catch mistakes early.
 - ✓ Schedule a test run of your W-2's on plain paper.
 - ✓ Reward your employees for all their hard work with a year-end party or outing.

A common mistake at year-end is allowing too little time to prepare.

Optimum HRIS wants you to have a successful 2020-year end.

Follow the steps in this guide to achieve OPTIMUM success!

Year End Process Checklist

A common mistake at year-end is allowing too little time to prepare. A checklist of items and dates associated will go far in your preparation. Proper preparation will also allow for your team to be informed as to what they need to complete and when. Remember, everyone is busy at the end of the year. The more lead time you give yourself, the less panicked you'll be. *Print this page separately out of the document and pin it up to check off as each task is completed. Fill in any other tasks specific to your company.*

Completed	Task	Date
	Prepare for Year End Process	
	Purchase Tax Forms	
	Verify Employees Social Security Numbers	
	Verify Benefits W-2 Box Codes	
	Verify Retirement Plan Code Setup	
	Review Deduction and Benefit Taxability	
	Change State Unemployment Experience Rates	
	Enter Benefits (Employer or Company) not entered during year	
	Confirm Employer Side Health Coverage	
	Year End Balance and Reconciliation	
	Verification Process using Balancing Spreadsheet and Reports	
	After Final 2020 Payroll and Before First 2021 Payroll	
	Backup Suite Database	
	Update Tax Tables	
	Run Mass/Global Updates for Deductions	
	Run PTO Accrual if Rollover is at Beginning of Year	
	Setup Payroll Pay Cycles Calendar	
	Setup Time and Attendance Holiday Calendar, if applicable	
	W-2 Processing	
	Update W-2 Programs	
	Create W-2 Work File	
	Make W-2 Work File Changes	
	Verify Data and Print W-2 Edit and History Reports	
	Print W-2 Forms and Distribute to Employees	
	Push W-2s to ESS, if applicable	
	Create EFW2 W-2 File (or File by Mail)	
	Verify Data & Format of the EFW2 File (AccuWage)	
	Submit W-2s by Electronic File or Paper Filing	

How to Prepare for the 2020 Year End Process

How to Prepare for the 2020 Year End Process

Step 1: Purchase Tax Forms from Optimum's Preferred Provider. Forms W-2 can be purchased now at www.taxformsusa.com

For questions, contact

Bob Benson at PTM Document Systems

bob.benson@print-2-mail.com

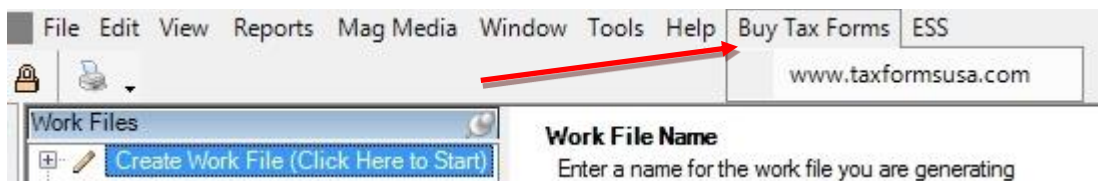
1-866-667-2861 ext. 6317

Forms ordered from PTM are guaranteed to work with Optimum's software.

Or you can click on the link in our system to purchase from PTM online.

Go to "Government Reporting" and then to "W-2."

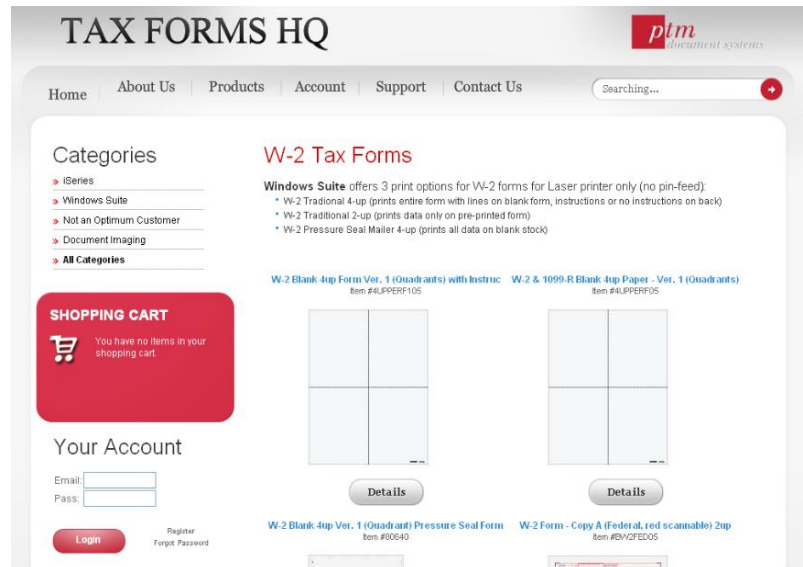
Click "Buy Tax Forms" and click the URL or form name to go to the website.



Windows Suite offers 3 print options for W-2 forms for Laser Printer only (no pin-feed):

- W-2 Traditional 4-up (prints all data with lines on blank form, you choose instructions or no instructions on the back when you order.)
- W-2 Traditional 2-up (prints data only on pre-printed form.)
- W-2 Pressure Seal Mailer 4-up (prints all data on blank stock.)

Note: Optimum does not print the instructions on the back of the forms, only the form data on the front.





This is a sample of the 2020 W-2 Form.

22222		a Employee's social security number		OMB No. 1545-0008	
b Employer identification number (EIN)			1 Wages, tips, other compensation		2 Federal income tax withheld
c Employer's name, address, and ZIP code			3 Social security wages		4 Social security tax withheld
			5 Medicare wages and tips		6 Medicare tax withheld
			7 Social security tips		8 Allocated tips
d Control number			9		10 Dependent care benefits
e Employee's first name and initial		Last name		Suff.	11 Nonqualified plans
f Employee's address and ZIP code			13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12a
			14 Other		12b
					12c
					12d
15 State Employer's state ID number		16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax
					20 Locality name

Form **W-2** Wage and Tax Statement **2020** Department of the Treasury—Internal Revenue Service
 Copy 1—For State, City, or Local Tax Department

PLEASE NOTE that all screens displayed in this document are examples only intended for illustration. Please setup deductions, benefits, earnings codes, etc., according to your specific company requirements.

Step 2: Verify SSNs are accurate: The Internal Revenue Service can penalize for each employee name and social security number mismatch.

Some of the highlights are:

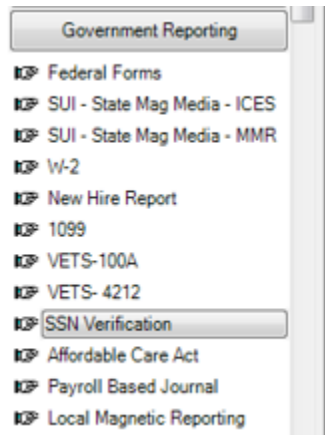
- SSA will start mailing letters in August 2020 to those who have filed Form W-2 with employee name and SSN mismatch errors in the past about the importance of accurate information. Sample letter <https://www.ssa.gov/employer/notices/EDCOR.pdf>
- Penalties may apply
 - Fail to file timely
 - Missing information on the Form W2
 - Inaccurate information SSN and employee name mismatch
 - Filing on paper when required to file electronically
- Penalty Amounts for failure to file
 - Up to \$260 per return with max of \$3,282,500
 - Or Max of \$1,094,000 if employer's annual gross receipts is less than \$5 mil
- Penalty for not filing correct information
- Both penalties may apply with up to \$540 per return and \$6.5 million annually
- Penalties may apply to form 1095C and 1099 the same as form W-2

Social Security offers employers 2 internet verification options to verify that your employee names, and social security numbers match Social Security's records.

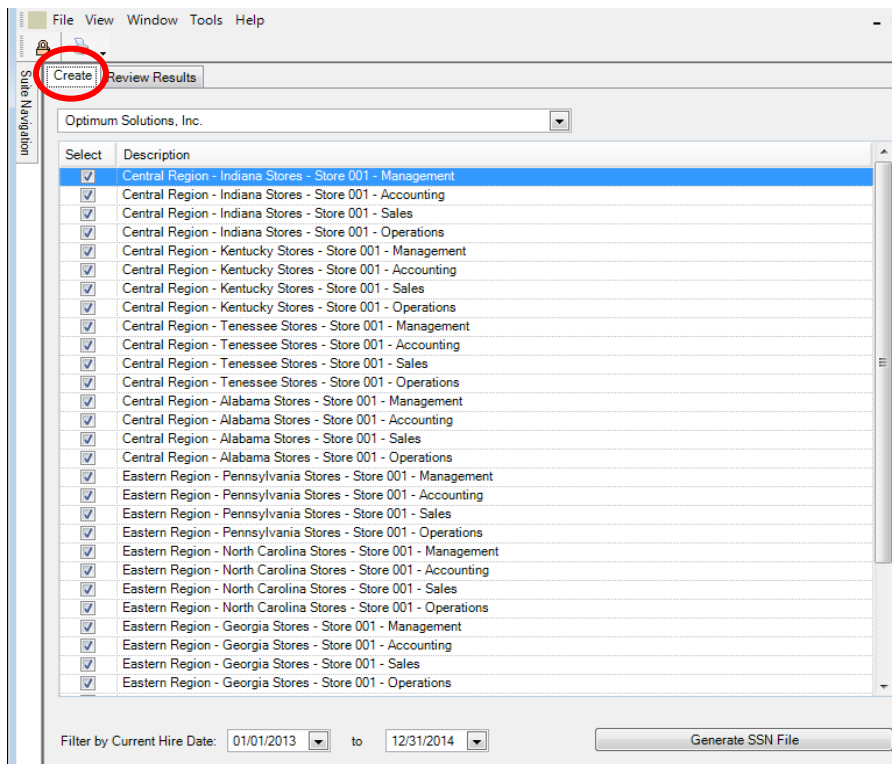
You can:

- Verify up to 10 names and SSNs (per screen) online and receive immediate results. This option is ideal to verify new hires.
- Upload overnight files of up to 250,000 names and SSNs and usually receive results the next government business day. This option is ideal if you want to verify an entire payroll database or if you hire a large number of workers at a time. Optimum gives you the ability to create a file that you can upload to the SSA for verification. It's very easy using the directions on the next page.

PATH: Suite Navigation > Government Reporting > SSN Verification



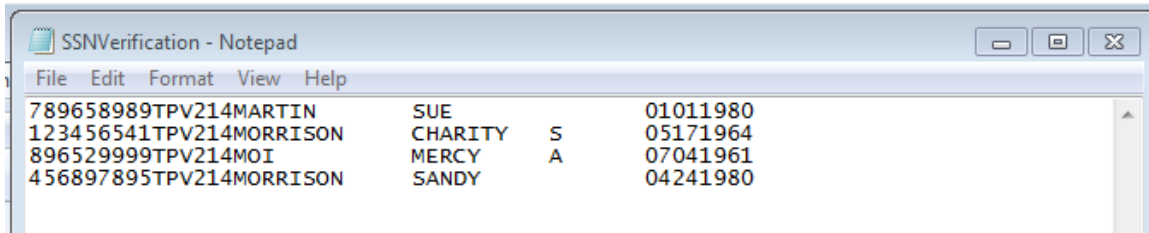
To create the file, click on the Create tab, choose the company, organization(s) to report on, choose the range of current hire dates, and then Generate SSN File.



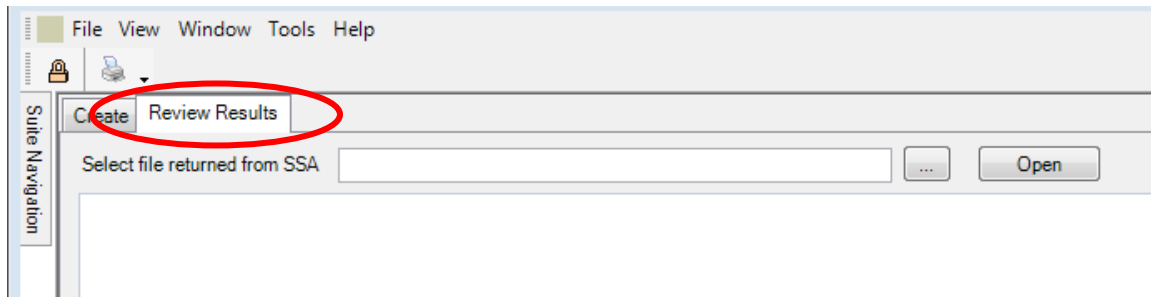
After pressing Generate SSN File, you will be prompted to browse to the location where the file should be saved.

After the file is created, open the file using Notepad.

The file should display like this one and is ready to upload to the SSA.



When the SSA file is returned and you have saved it on your computer, you can choose the Review Results tab from the same screen to review the results.

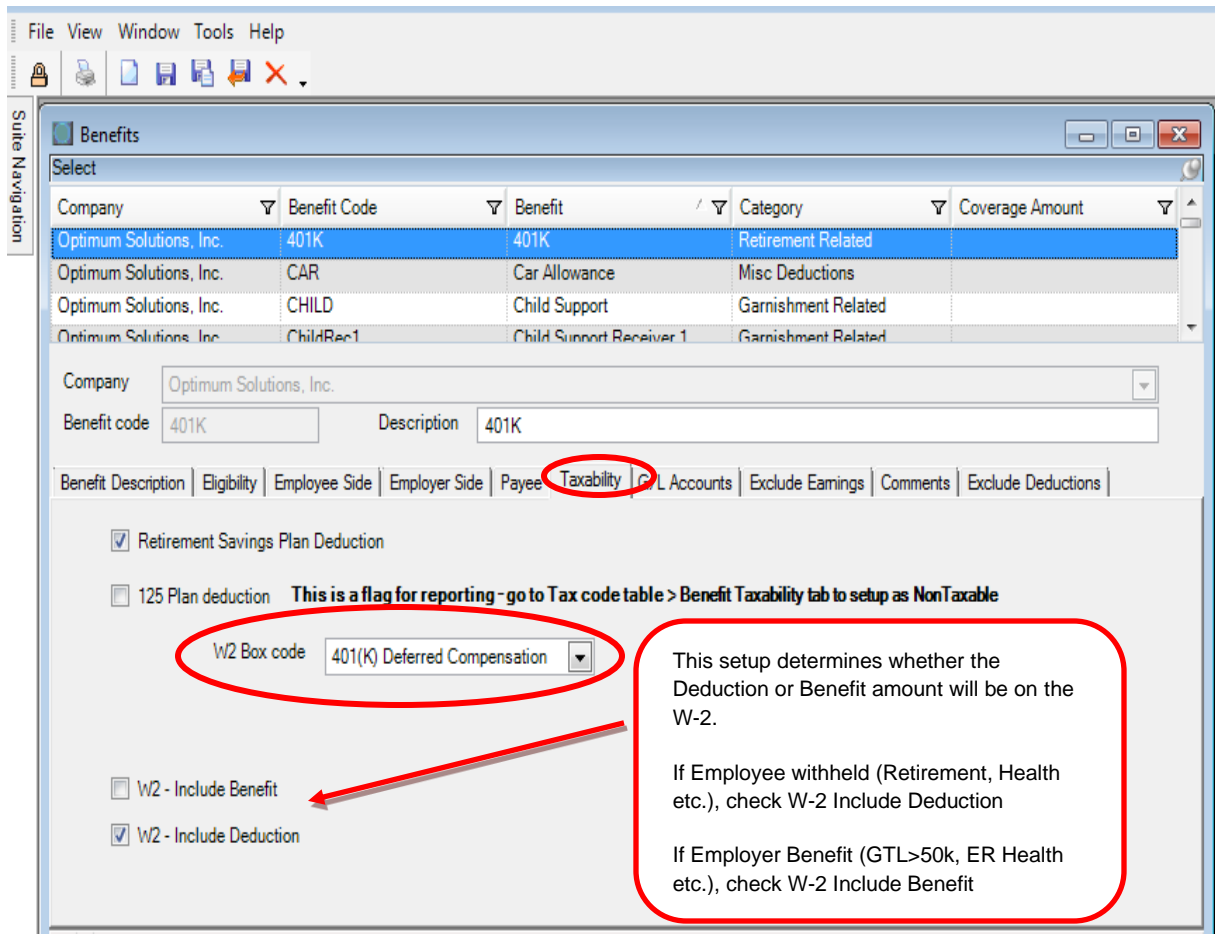


While the service is available to all employers and third-party submitters, it can only be used to verify current or former employees and only for wage reporting (Form W-2) purposes.

For step by step instructions, go to the Social Security Administration website at <http://www.ssa.gov/employer/ssnv.htm>

Step 3: Verify Benefits W-2 Box Code: Make sure the deductions and benefits are set up with the proper W-2 Box Code if needed.

PATH: Code Tables All > Benefits Codes > [Select Benefit] **Taxability tab**



Valid codes for boxes 10, 11 and 12 are:

Box 10 **1** - Dependent care benefit

Box 11 **2** - Non-qualified plans

Box 12 **AA** - After-tax contributions to a Roth 401(k) retirement plan.

Box 12 **BB** - After-tax contributions to a Roth 403(B) retirement plan.

Box 12 **C** - Cost of group-term life insurance over \$50,000

Box 12 **D** - Elective deferrals to a section 401K cash or deferred arrangement

Box 12 **DD** – Value of Healthcare Coverage – not taxable to the employee, but value of employee and employer portion is reported on Form W-2 for information to the employee.***<http://www.irs.gov/uac/Form-W-2-Reporting-of-Employer-Sponsored-Health-Coverage>

Box 12 **E** - Elective deferrals to a section 403B salary reduction agreement

- Box 12 **EE** – Designated Roth Contributions under a governmental section 457(b) plan
- Box 12 **F** - Elective deferrals to a section 408K6 salary reduction SEP
- Box 12 **FF** – Permitted benefit under a qualified small employer health reimbursement arrangement
- Box 12 **G** - Elective and non-elective deferrals to a section 457B deferred comp plan
- Box 12 **GG** – Income from qualified equity grants under section 83(i)
- Box 12 **H** - Elective deferral to a section 501(c) (18) (D) tax-exempt organization plan
- Box 12 **HH** – Aggregate deferrals under section 83(i) elections as of the close of the calendar year
- Box 12 **J** - Non-taxable sick pay
- Box 12 **K** - 20% excise tax on excess golden parachute payments
- Box 12 **L** - Substantiated employee business expense
- Box 12 **M** - Uncollected Soc. Sec. or RRTA tax on cost of group-term life >\$50,000
- Box 12 **N** - Uncollected Medicare tax on cost of group-term life > \$50,000
- Box 12 **P** - Excludable reimbursed moving expense
- Box 12 **Q** – Nontaxable combat pay
- Box 12 **R** – Employer contributions to an Archer MSA
- Box 12 **S** - Simple retirement (excluding 401k)
- Box 12 **T** - Adoption assistance
- Box 14 **U** - User defined
- Box 12 **V** - Exercised Stock option
- Box 12 **W** – For HSA employer portion and the EE portion if part of a S125 cafeteria plan
- Box 12 **Y** - Deferrals under section 409A nonqualified deferred compensation plan
- Box 12 **Z** - Income under section 409A on a nonqualified deferred compensation plan. This amount is also included in box 1.
- Box 14 **ZZ** – Affordable Care Act-coverage provided for adult children (info only)

For specifics refer to the Box Codes in the IRS Form W-2 instruction booklet at <https://www.irs.gov/pub/irs-pdf/iw2w3.pdf>



*** The Benefit Taxability screen can be changed just before running the W2 Work file, but for the DD Cost of Healthcare, you must have already set up Medical Employer portion so that those amounts are in history.

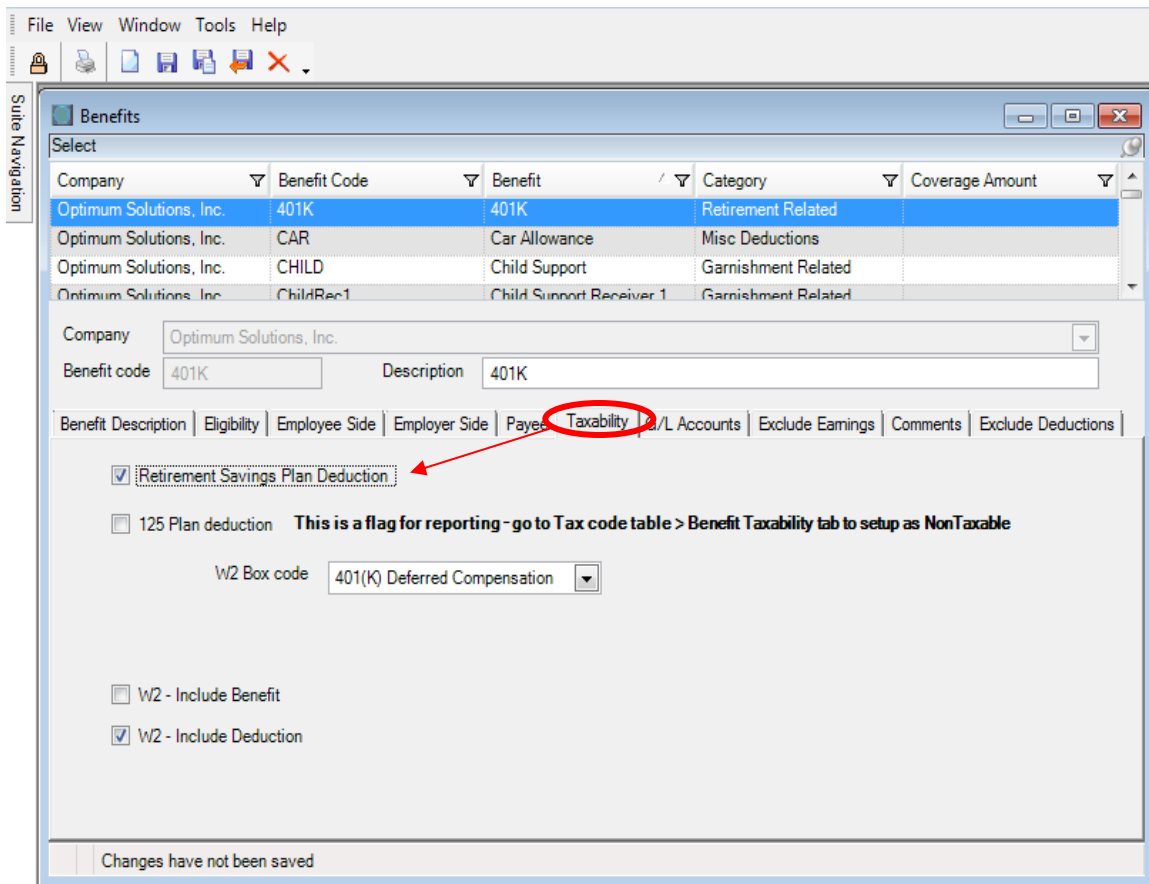
Step 4. Verify Retirement Plan Code Setup

Verify that all Benefit Codes that are part of a Retirement Plan have the appropriate field flagged for “Retirement Savings Plan Deduction”. How do you know what to check?

- If you do not have 100% participation, or do not process the Retirement through Optimum, the Employee’s Federal screen > Retirement Plan box should be checked for all eligible employees regardless of participation.
- If you have 100% participation, and the above box is not checked, you can use deduction/benefit history for the benefits that have the Taxability tab checked for Retirement Savings Plan Deduction

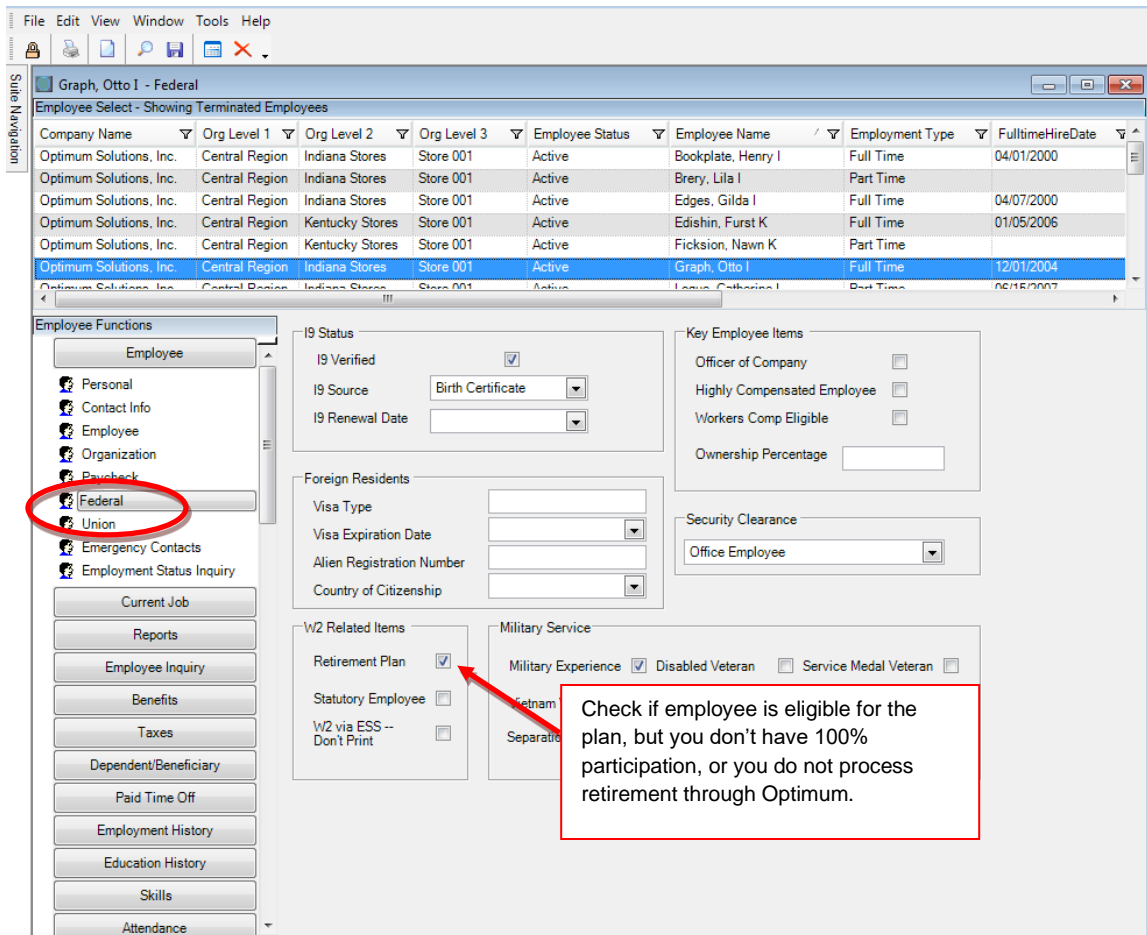
1) When the W-2 Work file is created, you will be given an option to use the Employee’s Federal Info Retirement Plan Indicator, if you don’t check this, it looks at each employee’s Benefit/deduction history for the year. If an employee had an amount deducted for any benefit code that is flagged as a retirement code, the system will check the box on the W-2 for Retirement Plan.

PATH: Suite Navigation > Code Tables All > Benefits Codes > [Select Benefit] **Taxability tab**



- 2) If the Retirement Plan is checked on the Employee’s Federal screen (participation not 100%, but available to all eligible employees), it will automatically mark the W-2 Work File Box 13 for Retirement plan regardless of if history exists for that employee.

PATH: Suite Navigation, Employees, Employee, [Highlight employee] **Federal**



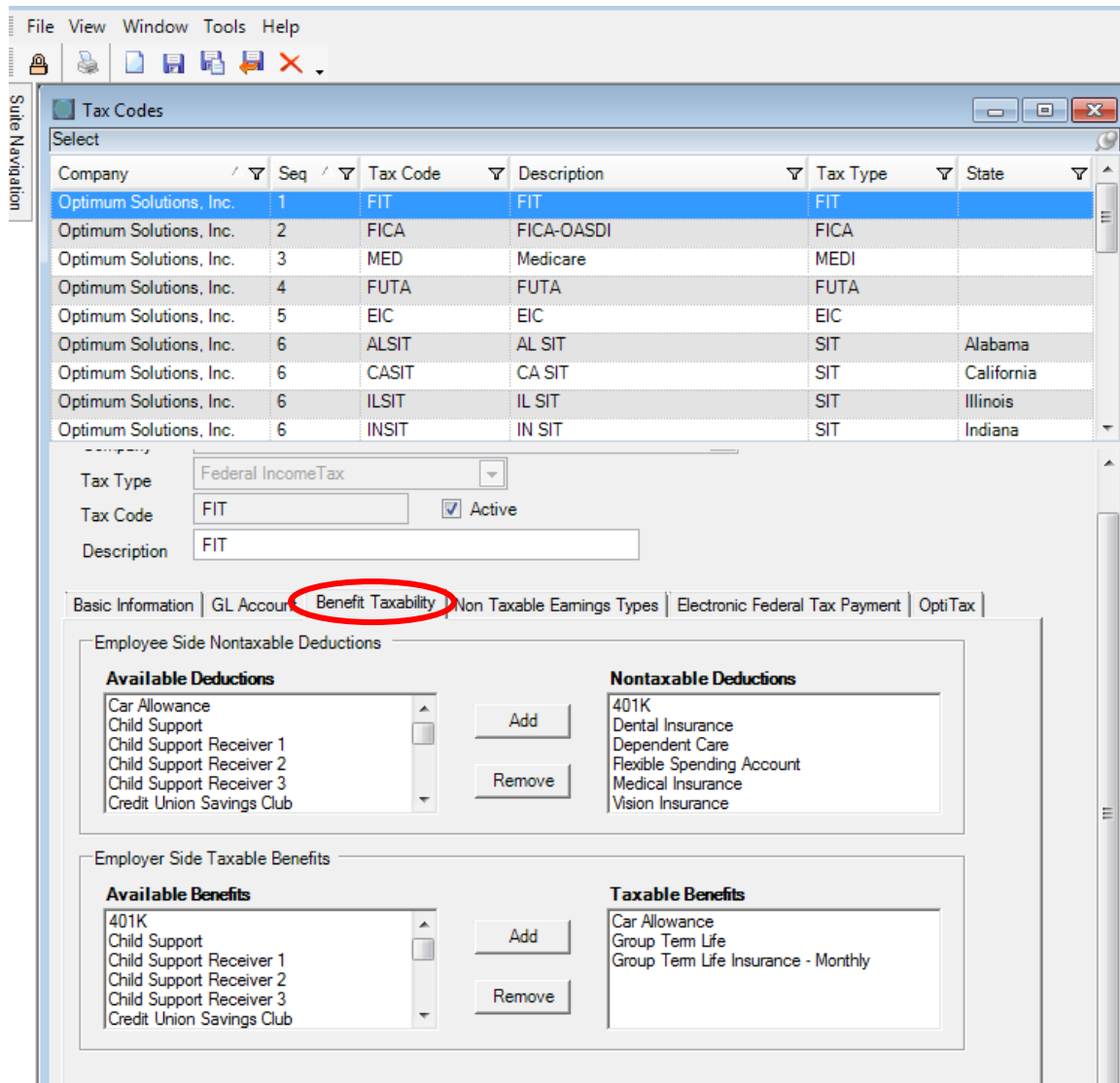
Side note: Notice the checkbox on this screen – “W2 via ESS – Don’t Print”

Reference the later section in this guide “Push W-2s to ESS” for more information. Employees must give permission to have their W-2s available electronically on ESS. A check in this box means that the employee has opted for their W-2 not to be printed on paper forms, but accessible via ESS only.

For more information about coverage by an Employer’s Retirement Plan - <https://www.irs.gov/retirement-plans/are-you-covered-by-an-employers-retirement-plan>

Step 5: Review Deduction and Benefit Taxability. If you discover any deduction or benefit taxability flag that need to be changed, call your software support representative BEFORE you change them.

Path: Suite Navigation > Code Tables All > Tax Codes > [Select Code] > **Benefit Taxability.**



Step 6: State Unemployment Experience Rates - State unemployment experience rates are not communicated to Optimum. When you get a notice from the state that your experience rate has changed, you are responsible for going to the state SUI tax table and making that change. **However, DO NOT MAKE CHANGES UNTIL YOU HAVE FINISHED YOUR LAST PAYROLL FOR THE YEAR!**

Please also see the note below about the Tax ID number for SUI codes as well as SIT and LIT.

Path: Suite Navigation > Code Tables All > Tax Codes > [Select SUI Code] > **Employer Tax rate factor**

The screenshot shows the 'Tax Codes' window for 'Optimum Solutions Inc.' with the following details:

- Company: Optimum Solutions Inc.
- Tax Type: State Unemployment Tax
- Tax Code: TN SUI (Active)
- Description: SUI TN
- Check Print Sequence: 4
- State Name: Tennessee
- Tax ID Number: 3212333
- Magnetic media ID number: [Empty]
- Employer tax rate factor: 0.32** (highlighted with a red box)
- Employee tax rate factor: [Empty]
- Check stub description: [Empty]
- Auto Setup:
- Recalc SUI Expense YTD:
- Changed SUI Rate Effective Date: [Dropdown menu]

Note: When Entering the Tax ID number, DO NOT enter a dash. The SUI Quarterly file looks to this field when generating the file and a dash can cause an error when uploading the file.

Also, for SIT and LIT tax codes, you must also enter the Tax ID number as that is what will print on the W2 form

New Option- If your SUI rate or state SUI wage limit changes midyear, you can check this box and enter the effective date, to recalc the expense.

Step 7: Enter any Benefits (Employer or Company portion) that have not been entered throughout the year. For example, Personal Use of an Automobile, S Corp Benefits, Group Term Life (GTL) greater than 50K. Taxable benefits increase taxable wages. Benefits must be set up in the employee file for each employee who will receive the benefit.

There are three methods for posting benefits to your history files.

1. Post through regular payroll processing throughout the year.
 - a. Taxes will be deducted each payroll the benefit is applied.

2. Post via Adjustment Payroll.
 - a. If posted before the last payroll of the year, the employee's FICA/Medicare will be adjusted on the next payroll processing.
 - b. If posted after the last payroll of the year, the employee's FICA/Medicare will not be deducted, and the company will be responsible for both employee and employer portions of FICA/Medicare. You may post adjustment checks to a prior year. Use this method to post Third Party Sick Pay when the third party has already withheld the employee's portion of FICA/Medicare tax.

3. Post with the last payroll of the year.
 1. Benefits may be posted with the last payroll of the year as a lump sum. Again, tax will be deducted from the employee's check – **See Appendix A for One-Time Adjustment - Annual Entries**
 2. Benefits can also be entered directly on W-2 forms. NOTE: benefits entered directly onto the W-2 will not be posted to your history files.

Additional set up may be required before processing a taxable benefit.

Here are the 4 steps:

1. Benefits must be setup in the code table "Benefit Codes". Enter the correct taxability flags and W-2 box codes on the Benefit's "Taxability" tab. *See path and screen print earlier in this section.*

2. Set up federal, state and local taxability, if needed, in code table "Tax Codes". *See path and screen print earlier in this section.*

- After the new Benefit is setup in Benefits Codes, it must be added to the Employee Master. First add the Benefit and then the benefit details to the Employer side.

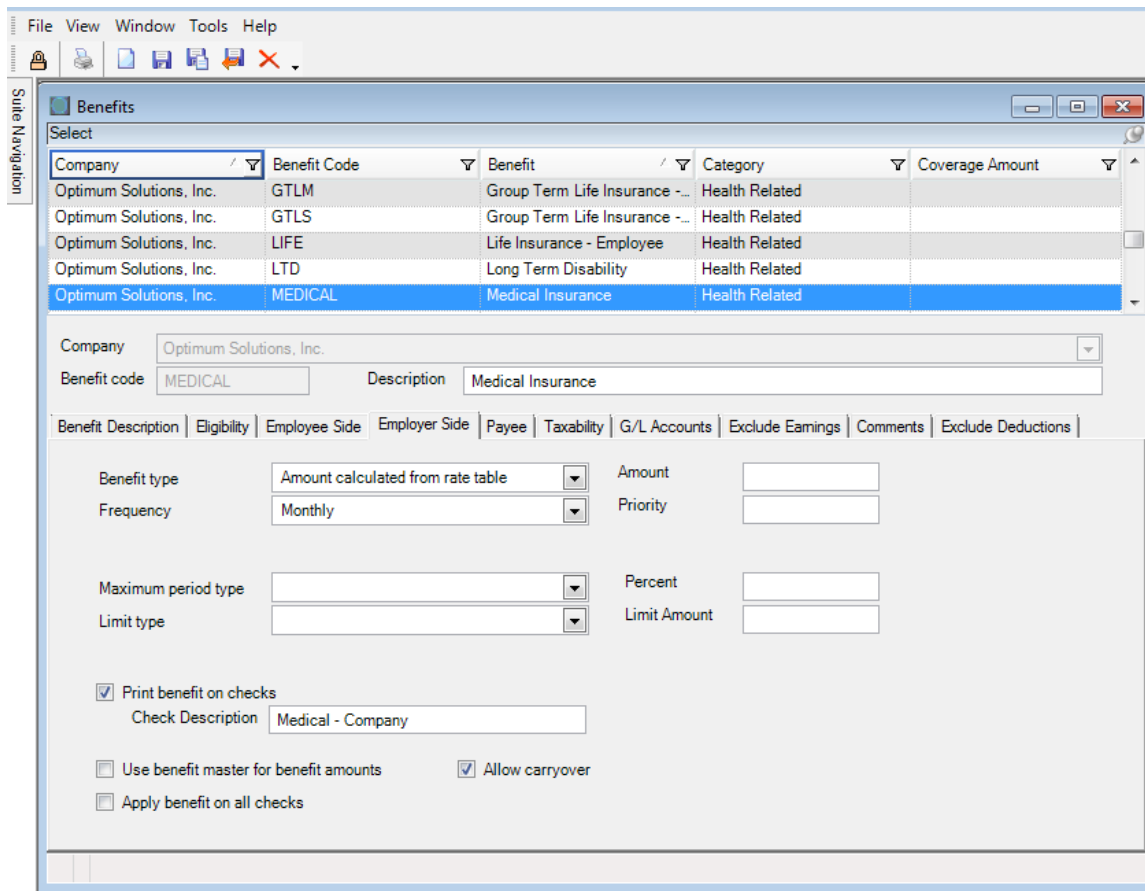
The screenshot shows the 'Employee Select - Showing Terminated Employees' window. The 'Employee Functions' sidebar on the left has 'Employer Side' circled in red. The main window displays a table of employees with 'Graph, Otto I' selected. Below the table, the 'Employee Benefit Select' section shows a list of benefits, with 'Group Term Life' selected. The 'Group Term Life' configuration panel is open, showing settings for 'Use benefit master for benefit amounts' (checked), 'Benefit type' (Fixed dollar amount), 'Frequency' (Annually), and 'Amount' (250,000). Other fields include 'Maximum period type', 'Limit Amount', 'Year-To-Date Amount', and 'Benefit Carryover' options.

- If this benefit should be added to all employees, use the Global/Mass Update ADD Deductions to Employer Benefit feature.

The screenshot shows the 'Mass/Global Updates' window with the 'Add Deductions to Employer Benefit' feature selected. The 'Company' is set to 'Optimum Solutions, Inc.'. The 'Organization levels' section includes dropdowns for 'Regions', 'States', 'Stores', and 'Department'. The 'Pay Type', 'Pay Cycle', 'Pay Frequency', 'Shift', and 'Employment Type ID' are also configurable. The 'Include Terminated Employees' checkbox is unchecked. The 'Select deductions to add' section shows 'Group Term Life Insurance - Monthly' selected, with an 'Effective Date' of '01/01/2015'. The 'Coverage' section has 'Coverage Type' set to 'Not Applicable'. The 'Deduction Side' section shows 'Deduction type' as 'Fixed dollar amount', 'Deduction frequency' as 'Monthly', and 'Use Benefit Master For Deduction Amount' checked. The 'Benefit Side' section shows 'Benefit type' as 'Group Term Life calc number times an' and 'Benefit frequency' as 'Monthly', with 'Use Benefit Master For Benefit Amount' checked. A 'Process' button is at the bottom right.

Step 8: Verify the setup of Employer Side Health Coverage which tracks the value of Employer Sponsored Health Coverage for Form W-2 Reporting. If your company provides healthcare benefits to employees (i.e. an employer portion of the premium), then the Employer Side of healthcare benefits (medical) should have been set up to properly track at the beginning of calendar year 2012, reported in 2013*.

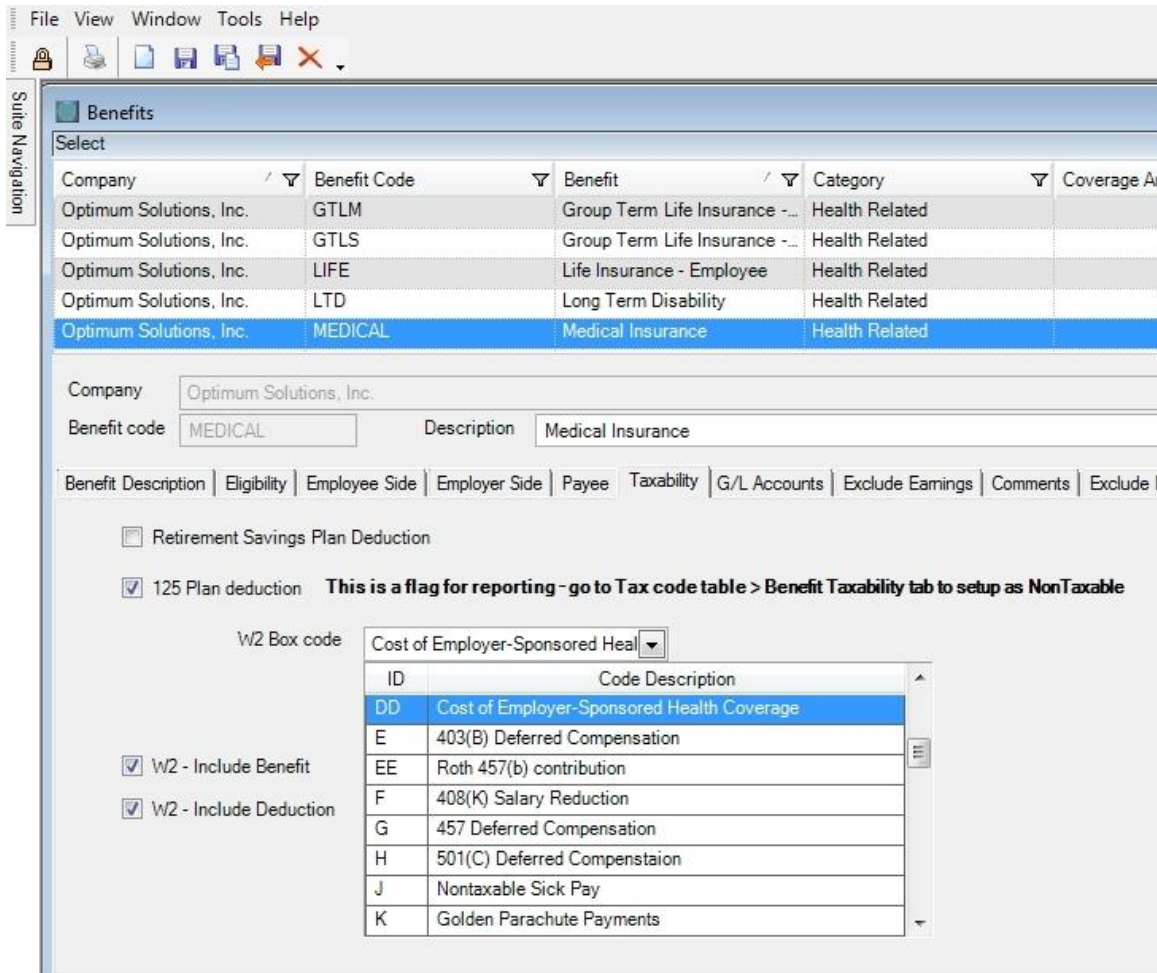
Path: Suite Navigation > Code Tables All > Benefit Codes > [Select Code] > **Employer Side**



On the Employer Side tab

- Select the appropriate **Benefit type**
 - If you are using a rate table, select “Amount calculated from rate table”
 - If putting the amount on the benefit code, select “Fixed dollar amount” and enter the amount for the period in the Amount field.
- Select your **Frequency**
- If this applies to all employees, then you can check the box *Use benefit master for benefit amounts*.

To report the amount on the W2 in Box 12, Click on the **Taxability** tab. Select the W2 Box code **DD Cost of Employer Sponsored Health Coverage**



Check both boxes *W2 – Include Benefit and W2 – Include Deduction*

Save.

Repeat this process for each Employer Sponsored Healthcare Benefit.

**Additional information about Reporting the Cost of Employer-Provided Health Coverage is available in the Year End Appendices document.*

Note: On the W2, Box 12 DD, the Employee and Employer portions will be combined. To see both amounts, run the History Report, *Benefit Listing by Code EE and ER.*

New in 2020 – COVID Earnings codes

To track the FFCRA tax credits, you should have setup separate earnings codes with the applicable Earnings types. The system will look at these Earnings types to know which earnings to pull on the W2, in box 14. Click [here](#) for complete instructions.

Select	Company	Earnings ID	Se	Earnings Description	Earnings Type	Earnings Category
	Optimum Solutions Inc.	COVID100	128	COVID19 Sick 100 % pay	COVID Sick Pay - Full Pay	W2-wages
	Optimum Solutions Inc.	COVID19	126	COVID19 Sick 2/3 % of..	COVID Sick Pay - 2/3 Pay	W2-wages
	Optimum Solutions Inc.	COVIDLVE	127	COVID Leave	COVID Family Leave	W2-wages

Company: Optimum Solutions Inc.
Earnings ID: COVID100

Earnings code | G/L accounts | Exclude Shifts

Earnings units type: Hours

Priority sequence for check stub: 128

Short description: COVID 100

Long description: COVID19 Sick 100 % pay

Rate multiplier: _1.0000

Default Rate:

Earnings category: W2-wages

Earnings type: COVID Sick Pay - Full Pay

Absence reason code:

Time Clock Interface

Multiple check code:

Timeclock earnings code:

Automatic Allocation
 Include in FLSA OT calc
 Include in OT Premium calc
 Include shift premium OT calc
 Include in hours worked
 Include in workers comp wages 2
 Hide Rate on Check Stub
 Hide Hours/Units on Check Stub
 Use Average Hourly Rate

Year End Balance and Reconciliation



Year End Balance and Reconciliation

Year-end should be a breeze if your procedures include balancing tax and wage information on a regular basis. To have a successful year end, balance and verification of employee federal, state and local taxability and withheld information compared to all tax reporting is **vital**. Form 941s are sent to the IRS and Forms W-2's is sent to the SSA. The numbers on those forms must match for those two agencies. It is recommended that you audit every payroll and balance every quarter to verify this information. This will ensure any adjustments that need to be made in prior quarters have been made. This process will also help to ease reconciling the final quarter of the year.

Always remember that taxable wages are calculated using the following formula: **Gross less pre-tax deductions, plus taxable benefits, less nontaxable earnings, equals taxable wages.**

Optimum Balancing Tool: Download the Excel file from the support website to verify wage and tax information to date. Go to **Documentation** then **Windows Suite, Government Reporting** and go to the article **941 and 941B Quarterly Balancing Tools** for the link to the **941 Balancing spreadsheet and instructions.**

Reports you will need to gather this information are:

- 941 Report (by quarter)
- Federal Tax Report (by quarter)
- Taxable Wage Report (by quarter)
- W-2 Work File Edit Report

Quarter & Year End Balancing for Year ____											
Form 941	EE plus ER			6.2%	EE plus ER						
Quarter	FIT Wages	FIT Taxes	SS Wages	Wages X's 12.40	(formula)	Medicare Wages	Wages X's 2.90 %	(formula)	Medi X 2004	(formula)	Total Taxes
1st	1,005,143.08	200,956.12	780,513.49	86,783.67	48,391.84	1,009,857.74	29,285.87	14,642.94	167,044.25	1,503.40	328,529.06
2nd	413,843.70	82,344.11	263,085.71	33,384.15	16,692.07	415,883.41	12,060.62	6,030.31	146,817.70	1,321.36	129,990.24
3rd	625,600.39	123,092.72	468,623.01	50,693.25	25,346.62	628,949.56	18,236.64	9,118.32	220,226.55	1,982.04	193,960.45
4th	415,631.96	81,791.54	271,075.86	33,613.41	16,806.78	417,893.56	12,118.91	6,059.46	146,817.70	1,321.36	128,845.22
941 YTD	2,460,290.13	488,184.49	1,729,278.07	214,430.48	107,215.26	2,472,484.27	71,702.04	35,851.02	680,986.20	6,128.16	780,445.17
Federal Tax report											
Quarter	FIT Wages	FIT Taxes	SS Wages	SS EE wh	Medicare Wages	Medi EE wh					
1st	1,005,143.08	200,956.12	780,513.49	48,391.83	1,009,857.74	16,146.23					
2nd	413,843.70	82,344.11	263,085.71	16,692.06	415,883.41	7,351.77					
3rd	625,600.39	123,092.72	468,623.01	25,346.62	628,949.56	11,900.21					
4th	415,631.96	81,791.54	271,075.86	16,806.78	417,893.56	7,380.96					
Federal Tax Report YTD	2,460,290.13	488,184.49	1,729,278.07	107,215.26	2,472,484.27	41,979.22					
Difference in Fed Tax and 941	0.00	0.00	0.00	(0.02)	0.00	(0.04)					
Taxable Wage Totals Report											
Quarter	FIT Wages	FIT Taxes	SS Wages	SS EE wh	Medicare Wages	Medi EE wh					
1st	1,005,143.08	200,956.12	780,513.49	48,391.83	1,009,857.74	16,146.23					
2nd	413,843.70	82,344.11	263,085.71	16,692.06	415,883.41	7,351.77					
3rd	625,600.39	123,092.72	468,623.01	25,346.62	628,949.56	11,900.21					
4th	415,631.96	81,791.54	271,075.86	16,806.78	417,893.56	7,380.96					
Taxable Wage Totals YTD	2,460,290.13	488,184.49	1,729,278.07	107,215.26	2,472,484.27	41,979.22					
Diff in Taxable Wage and Total 941	0.00	0.00	0.00	(0.02)	0.00	(0.04)					
W2 Work File Edit Report											
	FIT Wages	FIT Taxes	SS Wages	SS EE wh	Medicare Wages	Medi EE wh					
	2,460,290.13	488,184.49	1,729,278.07	107,215.26	2,472,484.27	41,979.22					
Balances											
YTD	FIT Wages	FIT Taxes	SS Wages	SS EE wh	Medicare Wages	Medi EE wh					
	0.00	0.00	0.00	(0.02)	0.00	(0.04)					
Difference in V2 and 941 totals	0.00	0.00	0.00	(0.02)	0.00	(0.04)					
Difference in V2 and Fed Tax Report	0.00	0.00	0.00	0.00	0.00	0.00					
Difference in V2 and Taxable Wage	0.00	0.00	0.00	0.00	0.00	0.00					

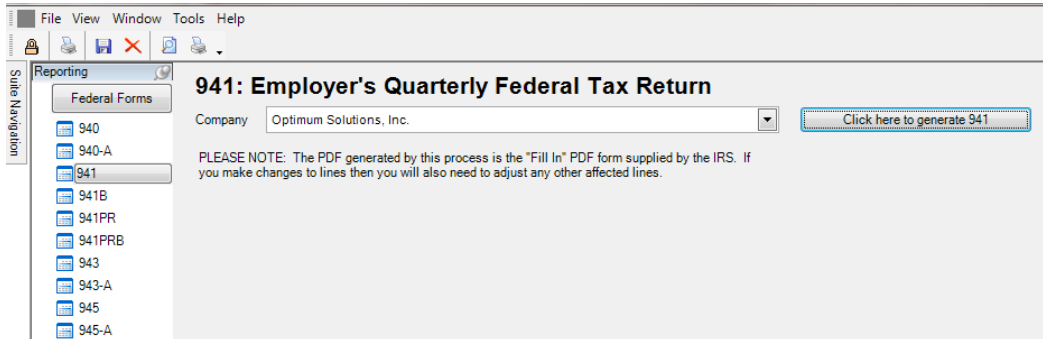
Compare results to the preliminary W-2 Edit. This will enable you to verify system generated wages and taxes against your payroll reconciliation form. **For additional information on reconciliation visit SSA's website at <http://www.ssa.gov/employer/>.** There are additional tabs at the bottom of the worksheet for other items that may be reconciled to the worksheet based on your company's needs for payroll and benefits.

Form 941: Verifying Federal Taxes using the 941 Report: The 941 Report can be used to verify Federal Taxes. 941s should be verified at the end of every Quarter. These reports can then be used during the Year-End to verify the Work File Edit Report.

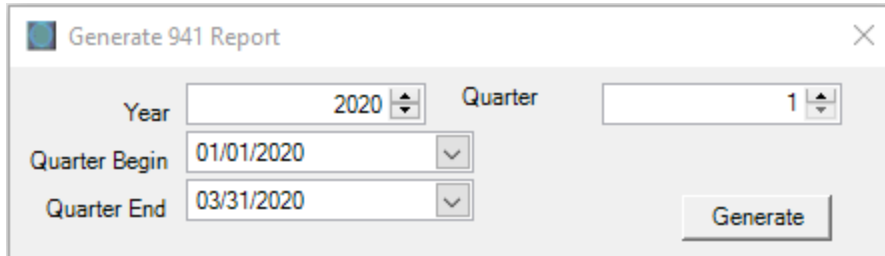
Form 941: Employer’s Quarterly Federal Tax Return

PATH: Suite Navigation > Government Reporting > Federal Forms, **941**

- Choose your Company Name
- Click on the box “Click here to generate 941”

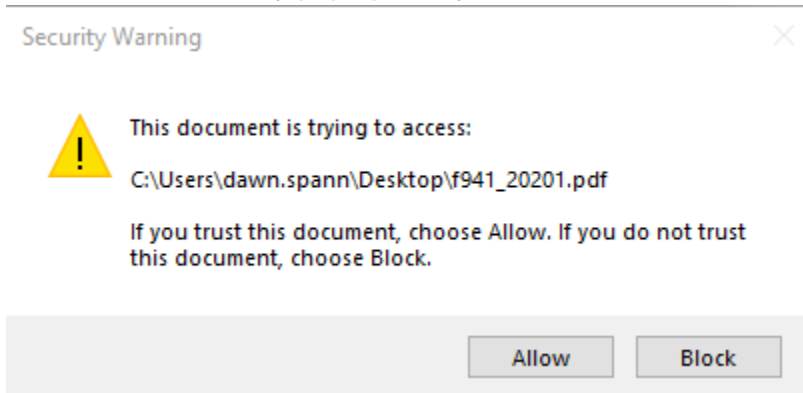


- Choose the Year and which Quarter you wish to print
- Click Generate

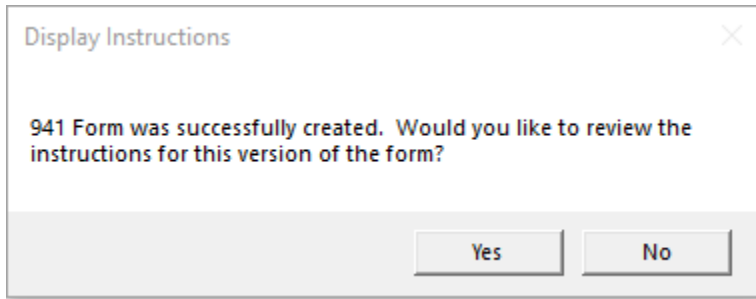


- Select a location to save the PDF (you can enter a different name if you like)
- Click Save

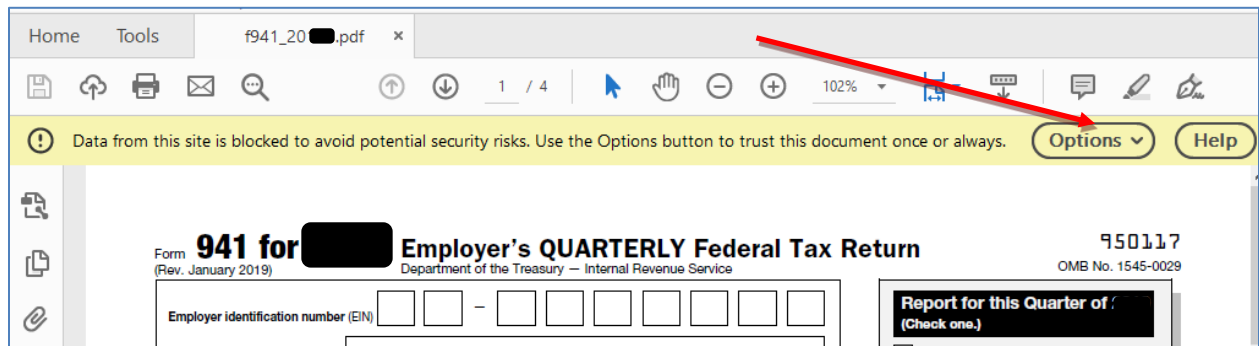
Next this window may pop up with your own network location. Click Allow.



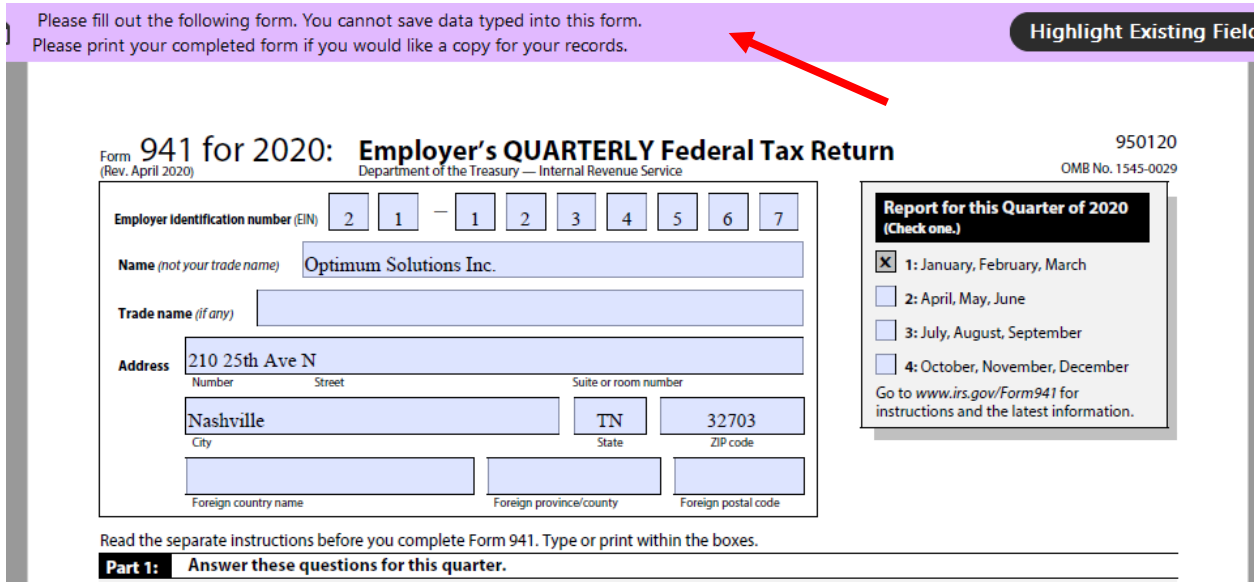
If you would like to go to the IRS instructions, click Yes to see instructions. Otherwise, click No to see the 941 Report.



The PDF of the 941 will pop up on your screen. If there is a yellow bar at the top, click on Options. Data will appear in the form only after clicking “Trust this Document always.” (**Note: Adobe Reader must be installed on your computer.**)



The 941 will be displayed and can be modified. You will have to print the form as you can't save it.



Print all four Quarters of the 941.

Use the 941 copies to extract these numbers for each Quarter

- Federal Taxable Wages
- Federal Income Tax amounts
- Social Security Taxable Wages
- Social Security Tax amounts
- Medicare Taxable Wages
- Medicare Tax amounts

We suggest that you total up these amounts for each quarter in the Excel Balancing tool described in the last section. Be aware, however, that the Social Security Tax amounts and Medicare Tax amounts on the “941” show both the Employee’s contribution as well as the Employer’s contribution. Therefore, the tax amounts need to be split (6.2% employee portion / 6.2% employer portion) before totaling in order to compare with the “W-2 Work File Edit List.” For this reason, these amounts only need to balance to within a few cents. They do not have to be exact.

Here is an example of a spreadsheet being used to verify a Work File Edit List.

Form 941	EE plus ER				EE plus ER				
Quarter	FIT Wages	FIT Taxes	SS Wages	SS Taxes	SS EE w/h	Medicare Wages	Medicare Taxes	Medi EE w/h	EIC
1st	84,875.52	4,264.66	86,673.15	10,747.47	5,373.74	88,548.41	2,567.90	1,283.95	0.00
2nd	120,205.94	6,549.43	122,435.39	15,181.99	7,590.99	124,829.49	3,620.06	1,810.03	256.73
3rd	107,287.14	5,862.20	109,357.32	13,560.31	6,780.15	111,246.96	3,226.16	1,613.08	251.30
4th	119,745.91	8,439.97	143,166.32	17,752.62	8,876.31	145,370.90	4,215.76	2,107.88	268.01
941 YTD	453,113.91	25,116.26	461,632.18	57,242.39	28,621.20	469,995.76	13,629.88	6,814.94	776.04

Employee	FIT Wages, Tips	FIT Taxes W/H	SS Wages	SS Taxes W/H	Med Wages, Tips	Med Taxes W/H
Back, Peppa K	23714.00	2394.47	23955.59	1485.25	24159.69	350.32
Bookplate, Henry I	52015.58	3648.77	53946.70	3344.70	55175.00	800.04
Bookplate, Horace I	48742.06	0.00	48964.84	3035.82	49153.24	712.72
Brery, Lila I	13799.26	402.07	13844.75	858.37	13976.42	202.66
Dick, Shunarey C	32649.60	3809.79	33001.14	2046.07	33634.59	487.70
Edges, Gilda I	34138.54	3634.08	35762.90	2217.30	36097.00	523.41
Edishin, Furst K	34405.40	878.56	35323.95	2190.08	36742.25	532.76
Ficksion, Nawn K	17226.24	1561.07	17402.29	1078.94	17606.39	255.29
Graph, Otto I	27220.63	617.47	27502.90	1705.18	28227.00	409.29
Logue, Catherine I	16764.96	815.11	16936.12	1050.04	17116.30	248.19
Marker, Place K	401.00	0.00	150.00	9.30	150.00	2.17
Print, Outta I	21056.84	904.20	21276.80	1319.16	21997.00	318.96
Storey, Tru I	31147.26	1418.91	31466.32	1950.91	31906.50	462.64
Table, Coffey I	32697.44	0.00	33368.90	2068.87	33573.00	486.81
Tale, Fannie I	150.00	0.00	150.00	9.30	150.00	2.17
Tom, Dusty I	35617.65	3572.90	36553.95	2266.34	37452.25	543.06
Turrey, Miss K	31367.45	1458.86	32025.03	1985.55	32879.13	476.75
End of Company	453113.91	25116.26	461632.18	28621.18	469995.76	6814.94

If any of the Quarters are out of balance, use the “941B” Report to find out which Payroll is out.)

Why would my Quarter numbers be out of balance?

History vs Form 941 Calculation: On the 941 form, it pulls in taxable wages for FICA/Medicare from check history, but the taxes on the 941 are calculated based on those wages pulled in on the form, not on the actual taxes in history. This is a reason why they might not balance.

Did any of your employees reach 200k in Medicare Taxable Wages?

IMPORTANT Note: Medicare taxes are somewhat complicated to balance for employees that have **200k in Medicare Taxable Wages**. Only the Employee pays an additional .9% for a total of 2.35% on wages 200K or greater. The Employer (1.45%) does not match this. Please refer to instructions and a worksheet on the Support website: Documentation > Windows > Government Reporting, see article **941 Medicare Balancing Greater than 200K Instructions and Spreadsheet**.

For these employees you can run the **Medicare Wages > 200k to Balance to 941** reports found under Path: Suite Navigation > Reports > History Reports.

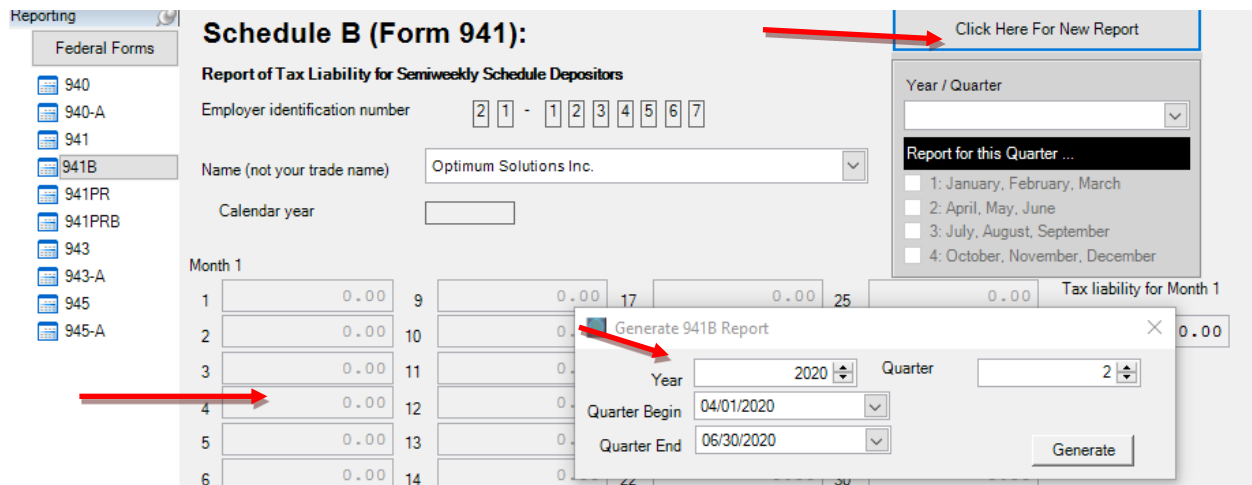
Medicare Wages > 200k to Balance to 941					
Optimum Solutions Inc.					
2020					
	---- Quarter 1 ----	---- Quarter 2 ----	---- Quarter 3 ----	---- Quarter 4 ----	---- YTD ----
Honey, Jared	Employee Number: 1130				
Taxable Earning:	367044.25	146817.70	220226.55	146817.70	880906.20
Tax Withheld:	6825.54	3450.22	5175.32	3450.22	18901.30
Taxable Earning > \$200k:	167044.25	146817.70	220226.55	146817.70	680906.20
Tax on > \$200k:	1503.40	1321.36	1982.04	1321.36	6128.16
End of Company : Optimum Solutions Inc.					
Taxable Earning:	367044.25	146817.70	220226.55	146817.70	880906.20
Tax Withheld:	6825.54	3450.22	5175.32	3450.22	18901.30
Taxable Earning > \$200k:	167044.25	146817.70	220226.55	146817.70	680906.20
Tax on > \$200k:	1503.40	1321.36	1982.04	1321.36	6128.16

Form 941B: Report of Tax Liability for Semiweekly Schedule Depositors

Form 941B must be filed if you are a semiweekly depositor and meet the qualifications stated in the IRS Instructions for Schedule B (Form 941).

PATH: Suite Navigation > Government Reporting > Federal Forms > **941B**

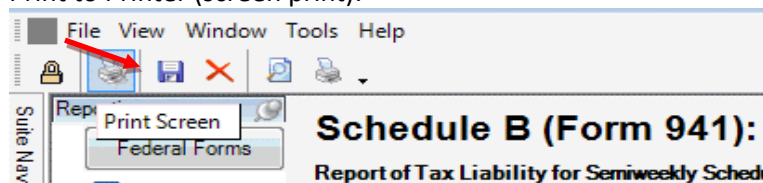
- Choose your Company
- Click on the box “Click Here for New Report.
- Choose the Year and Quarter from the drop-down list and click Generate.



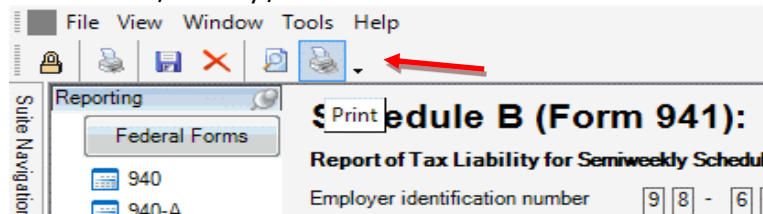
The 941B will fill in with the quarter FIT, FICA and Medicare taxes withheld on the screen by check date.

Notice there are two Print icons in the top left. The left one, when clicked, opens your printer dialog box and will do a print screen only. The right one opens the folder to save the report to a PDF that can be modified and saved.

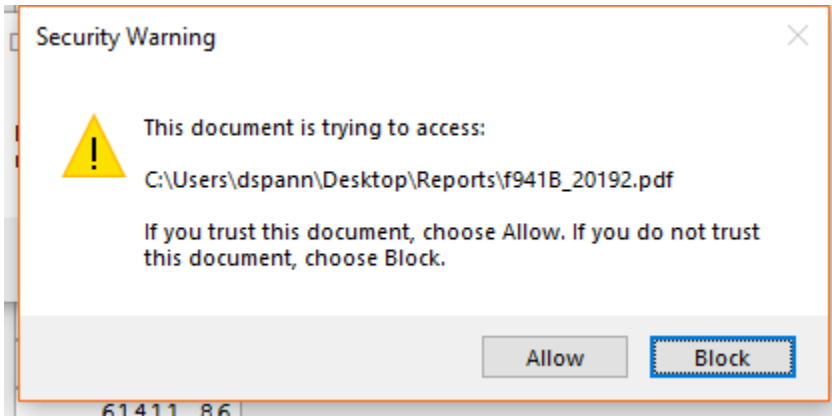
Print to Printer (screen print):



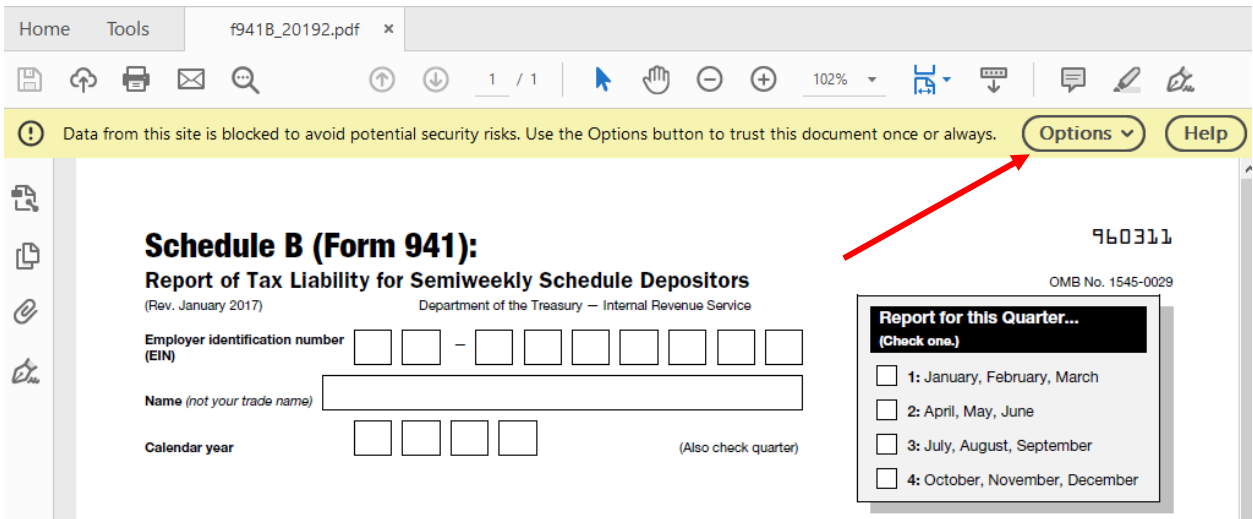
Print to PDF / Modify / Save:



You may get this security warning – Click Allow



- After saving the 941B, the PDF will pop up with a yellow band. Click on “Options” and “Trust this document always” as you did with the 941 Reports.



Schedule B (Form 941):

960311

Report of Tax Liability for Semiweekly Schedule Depositors

OMB No. 1545-0029

(Rev. January 2017)

Department of the Treasury — Internal Revenue Service

Employer identification number (EIN) -

Name (not your trade name)

Calendar year (Also check quarter)

Report for this Quarter...
(Check one.)

1: January, February, March

2: April, May, June

3: July, August, September

4: October, November, December

Use this schedule to show your TAX LIABILITY for the quarter; don't use it to show your deposits. When you file this form with Form 941 or Form 941-SS, don't change your tax liability by adjustments reported on any Forms 941-X or 944-X. You must fill out this form and attach it to Form 941 or Form 941-SS if you're a semiweekly schedule depositor or became one because your accumulated tax liability on any day was \$100,000 or more. Write your daily tax liability on the numbered space that corresponds to the date wages were paid. See Section 11 in Pub. 15 for details.

Month 1							
1	<input type="text"/>	9	<input type="text"/>	17	<input type="text"/>	25	<input type="text"/>
2	<input type="text"/>	10	<input type="text"/>	18	<input type="text"/>	26	<input type="text"/>
3	<input type="text"/>	11	<input type="text"/>	19	<input type="text"/>	27	<input type="text"/>
4	<input type="text"/>	12	<input type="text"/>	20	<input type="text"/>	28	<input type="text"/>
5	<input type="text"/>	13	<input type="text"/>	21	<input type="text"/>	29	<input type="text"/>
6	<input type="text"/>	14	<input type="text"/>	22	<input type="text"/>	30	<input type="text"/>
7	<input type="text"/>	15	<input type="text"/>	23	<input type="text"/>	31	<input type="text"/>
8	<input type="text"/>	16	<input type="text"/>	24	<input type="text"/>		<input type="text"/>
							Tax liability for Month 1 <input type="text" value="."/>
Month 2							
1	<input type="text"/>	9	<input type="text"/>	17	<input type="text"/>	25	<input type="text"/>
2	<input type="text"/>	10	60748. 67	18	<input type="text"/>	26	<input type="text"/>
3	<input type="text"/>	11	<input type="text"/>	19	<input type="text"/>	27	<input type="text"/>
4	<input type="text"/>	12	<input type="text"/>	20	<input type="text"/>	28	<input type="text"/>
5	<input type="text"/>	13	<input type="text"/>	21	<input type="text"/>	29	<input type="text"/>
6	<input type="text"/>	14	<input type="text"/>	22	<input type="text"/>	30	<input type="text"/>
7	<input type="text"/>	15	<input type="text"/>	23	<input type="text"/>	31	<input type="text"/>
8	<input type="text"/>	16	<input type="text"/>	24	61411. 86		<input type="text"/>
							Tax liability for Month 2 122160. 53

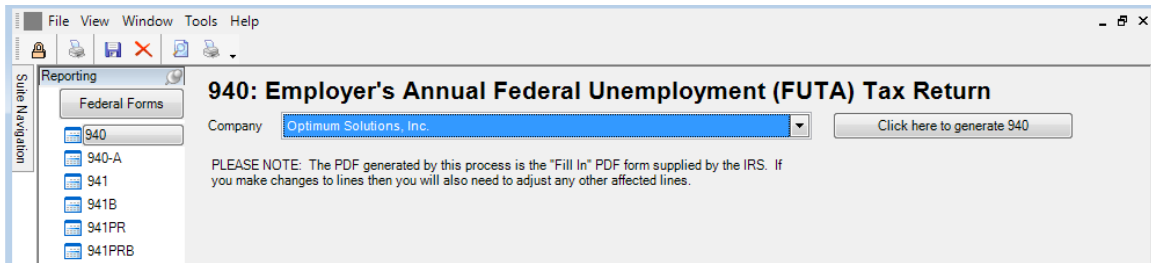
- The due date to file Form 941B is the same as for Form 941.

Form 940: Employer’s Annual Federal Unemployment (FUTA) Tax Return

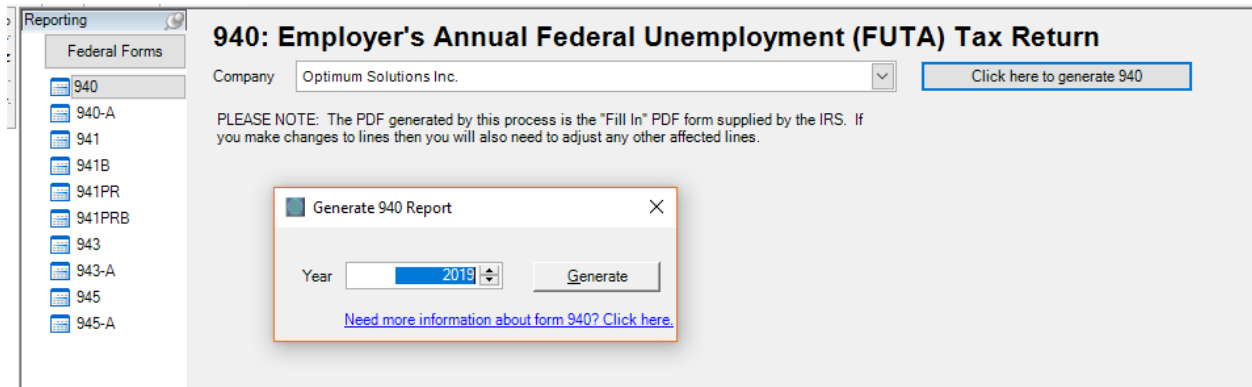
Form 940 generation is available in Windows Suite. Although you will not be creating this form prior to year-end, we are including the instructions at this point in the documentation following the 941 instructions. **At publication time, Form 940 for the current year is not yet available.**

PATH: Suite Navigation > Government Reporting > Federal Forms > **940**

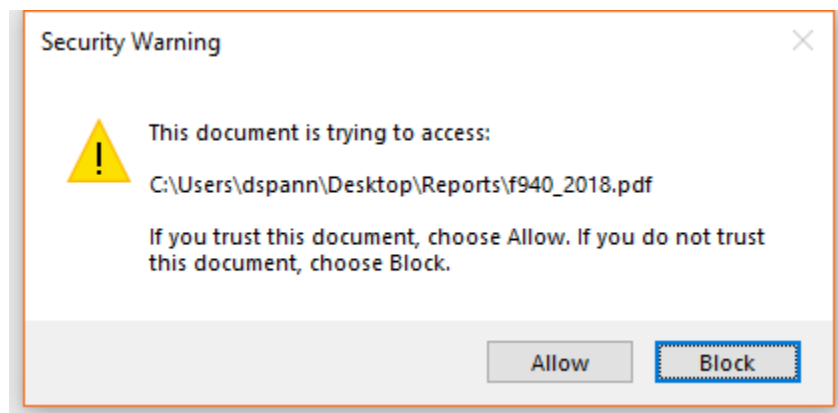
- Choose your Company Name
- Click on the box “Click here to generate 940



- Choose the Year you wish to print.
- Click Generate.

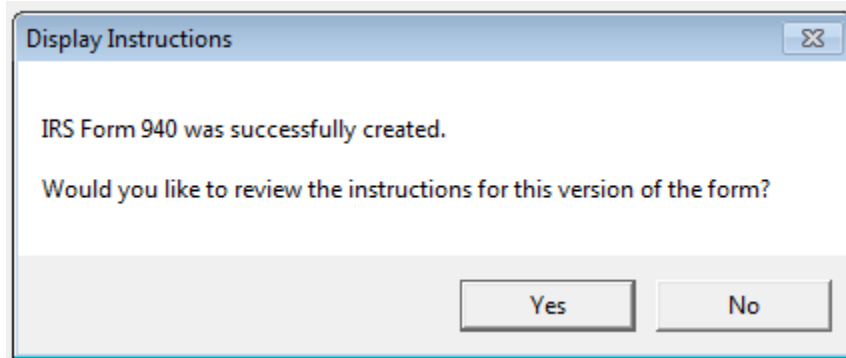


You may get this warning, click Allow



- Select a location to save the PDF. You can change the name of the file if you wish.
- Click Save

Next this Window will pop up. If you would like to go to the IRS instructions, Click Yes to see instructions. Otherwise, Click No to see the 940 Report.



The PDF of the 940 will pop up on your screen. If there is a yellow bar at the top, click on Options. Data will appear in the form only after clicking "Trust this Document always." (Note: Adobe Reader must be installed on your computer.)



The 940 will be displayed and can be modified and saved.

Form **940 for** : **Employer's Annual Federal Unemployment (FUTA) Tax Return** 850113
 Department of the Treasury — Internal Revenue Service OMB No. 1545-0028

Employer identification number (EIN) -

Name (not your trade name)

Trade name (if any)

Address
Number Street Suite or room number

City State ZIP code

Foreign country name Foreign province/county Foreign postal code

Type of Return
(Check all that apply)

a. Amended

b. Successor employer

c. No payments to employees in 2018

d. Final: Business closed or stopped paying wages

Go to www.irs.gov/Form940 for instructions and the latest information.

Read the separate instructions before you complete this form. Please type or print within the boxes.

Part 1: Tell us about your return. If any line does NOT apply, leave it blank. See instructions before completing Part 1.

1a If you had to pay state unemployment tax in one state only, enter the state abbreviation . 1a

1b If you had to pay state unemployment tax in more than one state, you are a multi-state employer 1b Check here. Complete Schedule A (Form 940).

2 If you paid wages in a state that is subject to CREDIT REDUCTION 2 Check here. Complete Schedule A (Form 940).

Part 2: Determine your FUTA tax before adjustments. If any line does NOT apply, leave it blank.

3	Total payments to all employees	3	<input type="text" value="2426595 . 95"/>
4	Payments exempt from FUTA tax	4	<input type="text" value="88411 . 05"/>
Check all that apply: 4a <input type="checkbox"/> Fringe benefits 4c <input type="checkbox"/> Retirement/Pension 4e <input type="checkbox"/> Other			
4b <input type="checkbox"/> Group-term life insurance 4d <input type="checkbox"/> Dependent care			
5	Total of payments made to each employee in excess of \$7,000	5	<input type="text" value="1542985 . 34"/>
6	Subtotal (line 4 + line 5 = line 6)	6	<input type="text" value="1631396 . 39"/>
7	Total taxable FUTA wages (line 3 - line 6 = line 7). See instructions	7	<input type="text" value="795199 . 56"/>
8	FUTA tax before adjustments (line 7 x 0.006 = line 8)	8	<input type="text" value="4771 . 20"/>

PATH: Suite Navigation > Reports > Tax Reports

To balance the 940, run the following Tax Reports:

- 940 FUTA Excess Yearly Report
- FUTA Excess Yearly with Total as Taxable
- FUTA Report by EE State_Detail
- FUTA Report by EE State_Summary

After the Final Payroll in 2020 and Prior to Processing the First Payroll for the Year 2021

After the Final Payroll in 2020 and Prior to Processing the First Payroll for Year 2021

You may be wondering what you need to change in the system in order to make a smooth transition. Well, this may be easier than you thought.

Since everything in Optimum Suite is “Date Driven,” the system will automatically recognize change in date. As a result, Earnings, Taxes and Benefits/Deductions will start over with a Year-to-Date amount of \$0.00 as soon as the first payroll cycle with the check date of the New Year has been calculated.

However, some deductions, such as 401K, will start the New Year with a different limit, or “Goal Amount.” Changing all of your employees’ 401K limits could be a very time consuming and difficult task. So, Optimum has made this change available as a “**Mass Update.**”

VERY IMPORTANT: You will also need to [pick up the update with the 2021 tax table changes prior to running your first payroll.](#) You will be notified of this update availability via mass email OR check the support website starting mid-December to see if it is available. *If you do not currently receive mass emails from Optimum, notify your support representative to be added to the distribution.*

Prior to Processing the First Payroll for the Year 2020...

...tax tables, withholding amounts, deduction and benefit limits and holiday calendars need to be updated. All of this can be accomplished by following these steps:

Step 1: If on premise - backup your Optimum Suite database for archival purposes. While this step is optional, we suggest that you have a good backup to archive for the past year and keep a copy off-site. Backup Instructions can be found on the Support website under Documentation, Windows Suite, Technical Resources, Article Optimum Suite Database How to Documents – link to document SQLServer – Database Backup. *Or use the Search tool and type in Backup. Name this backup something other than Suite, like 2020SuiteArchive.bak*

Step 2: Program Update and Tax Updates. Watch for emails from Optimum about update alerts and updated tax tables. Tax Updates will be released via an executable file that directly updates the tax tables. This is so we can issue tax changes as soon as we have them ready without issuing a complete program update. Also watch for a program update and ask your IT department to update it immediately so you have the latest changes. **Note: State Unemployment experience rates are maintained by the user.**

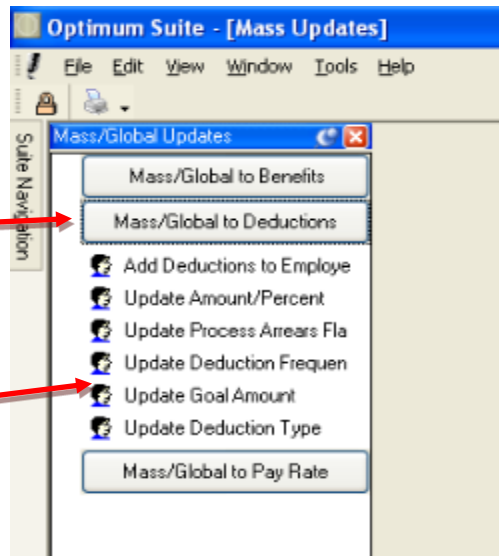
Step 3: Run Mass/Global Updates for deductions. This is most commonly used to reset the 401K, HSA and Flex deduction limits and clear the Goal to Date amount before your first payroll. You may have other deductions that also need to be reset. Our example will be to update the 401K limit and clear the Goal to Date amount.

PATH: Suite Navigation > Employees > Mass/Global Update > Mass/Global to Deductions > Update Goal Amount.

For Users with 401K Deductions: NOTE: The mass benefit Goal-To-Date update option MUST be run for all employees even if the limit does not change.

1. Click on Mass/Global Updates to Deductions

2. Click on Update Goal Amount



3. Choose your “Company” name from the dropdown. (see screen print below)

4. Choose the Deduction from the dropdown. *The deduction type and frequency will fill in when you choose the deduction.*

5. For Current Goal Amount, select Equal To from the drop down and key in the current goal amount. For Update to, select New Flat Amount and Key in the goal amount. **If the goal amount did change, you would select “Less Than or Equal to” instead of “ Equal to.”**

6. **Be sure to check “Clear Goal to Date Amount”**. This starts accruing toward the new Goal from \$0.00 for the New Year. **Even if the limits do not change, you need to clear the goal to date amount.** *The reason is that if it is not cleared, the employee will meet the limit during the year and the deduction will stop coming out of their check.*

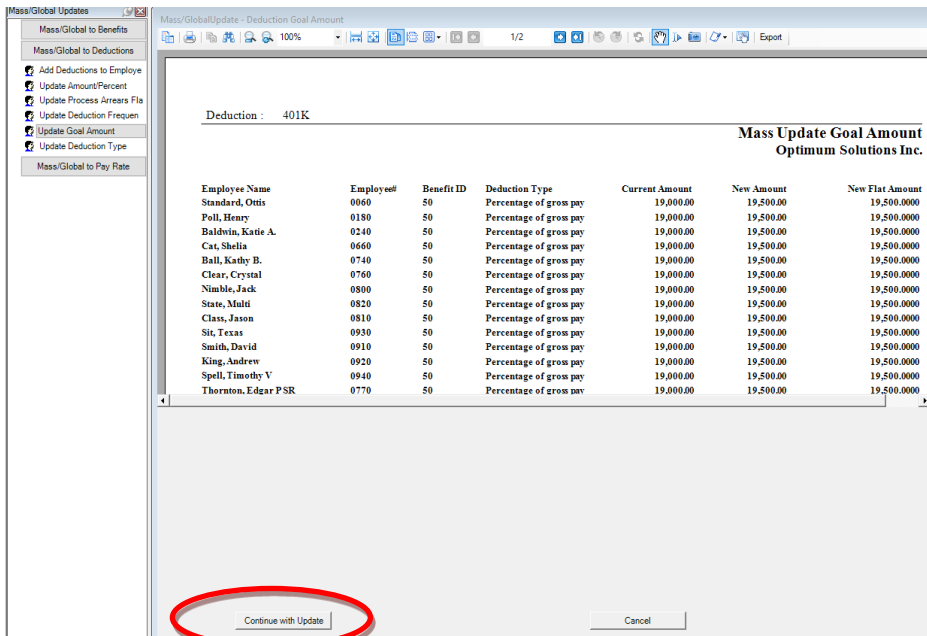
7. Click Process

Please Note that this may need to be run multiple times as some employees may have a Deduction type of Percentage of Gross Pay, but others have a Fixed Amount.

Also employees with Over age 50 Catch Up use the same benefit code, but have a different goal or different deduction types-\$ or %.

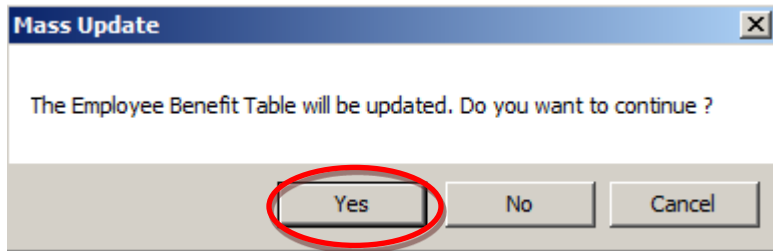
8. A report will pop up showing the changes that you are implementing with the Mass Update. This report lists all the employees to whom the change will be applied. **Be sure to “Print” this report.**

9. Click “Continue with Update” when you are ready to proceed.

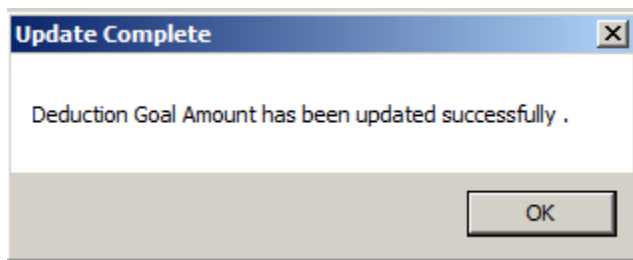


10. This window will pop up to verify that you indeed want to implement the change you are about to make.

- Click “Yes”



11. This window will pop up to confirm that the change has been implemented successfully.



- Click “OK”

The Mass/Global Update has completed.

12. **VERY IMPORTANT NOTE for Goal Amounts:** Whenever the limit changes, you must also change the 401K Goal Amount on the Benefit Master and in Administration / Company/Organization.

PATH: Suite Navigation > Codes Tables All > Benefit Codes > **Employee Side**

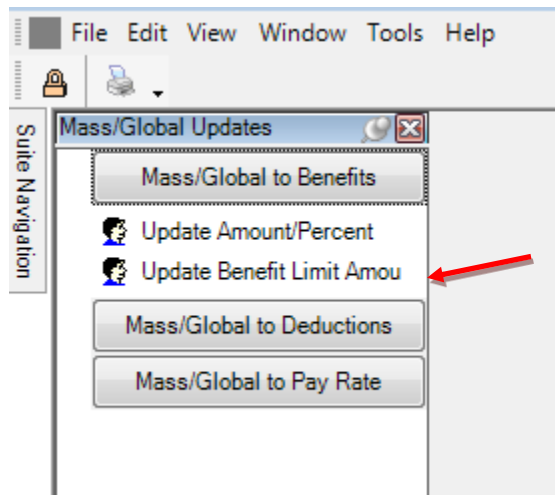
Company	Optimum Solutions Inc.								
Benefit code	50	Description 401K							
<table border="1"> <tr> <td>Benefit Description</td> <td>Eligibility</td> <td>Employee Side</td> <td>Employer Side</td> <td>Payee</td> <td>Taxability</td> <td>G/L Ac</td> </tr> </table>			Benefit Description	Eligibility	Employee Side	Employer Side	Payee	Taxability	G/L Ac
Benefit Description	Eligibility	Employee Side	Employer Side	Payee	Taxability	G/L Ac			
Deduction type	Percentage of gross pay	Percent							
Frequency	Weekly	Priority							
Check description	401K								
Maximum period type									
Goal Amount	___19500.00								

The Benefit Master is used when you Hire a New Employee or Add a Benefit to an Existing Employee. If the Goal amount is not updated, it will be incorrect on the employee deduction.

PATH: Suite Navigation > Administration > Company/Organization > **Company Retirement/Roth Control**

Company	Company/Organization														
<ul style="list-style-type: none"> Company Info Company EEO Info Company ACH Info Company OptiTax Info Company Payroll Tax Management Company Payroll Info Company COBRA Info Organization Levels Organization Structure Organization Payroll Overrides Company Retirement/Roth Control 	<table> <tr> <td>Retirement Limit</td> <td>___19500.00</td> </tr> <tr> <td>Select Retirement Benefit Code</td> <td>401K</td> </tr> <tr> <td>Select Roth Retirement Benefit Code</td> <td>401k Roth</td> </tr> <tr> <td>Catchup Flag</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Retirement Catchup Limit</td> <td>___6000.00</td> </tr> <tr> <td>Select Retirement Catchup Benefit Code</td> <td></td> </tr> <tr> <td>Select Roth Retirement Catchup Benefit Code</td> <td></td> </tr> </table> <p>To combine Catch up limit in with Retirement/Roth limit check the Catchup Flag and enter the Catchup Limit and leave the Catchup benefit codes blank.</p> <p>To calculate Catchup separately don't check the Catchup flag. Select the benefit codes and enter the limit.</p>	Retirement Limit	___19500.00	Select Retirement Benefit Code	401K	Select Roth Retirement Benefit Code	401k Roth	Catchup Flag	<input type="checkbox"/>	Retirement Catchup Limit	___6000.00	Select Retirement Catchup Benefit Code		Select Roth Retirement Catchup Benefit Code	
Retirement Limit	___19500.00														
Select Retirement Benefit Code	401K														
Select Roth Retirement Benefit Code	401k Roth														
Catchup Flag	<input type="checkbox"/>														
Retirement Catchup Limit	___6000.00														
Select Retirement Catchup Benefit Code															
Select Roth Retirement Catchup Benefit Code															

13. If you need to mass **add a deduction** to employees or **change premium amounts** for the New Year, this can be accomplished using the other options on the Mass/Global update menu. The process is similar to the example shown above.



Note: You may have **Benefits (Employer Side)** with Limit-to-Date amounts that need to be cleared. There is now a Mass/Global Update for Benefits available for Update Amount/Percent and Update Benefit Limit Amount. This process similar to the steps above.

Step 4: Run the PTO Period Accrual if Rollover is at the beginning of the year. **If your rollover is the employee’s anniversary date, Step 4 doesn’t apply to you – Go to Step 5**

PATH: Suite Navigation > Paid Time Off > **PTO Period Accrual** (Alternate path – Suite Navigation > Payroll Processes > PTO Period Accrual)

When to run the PTO Period Accrual...

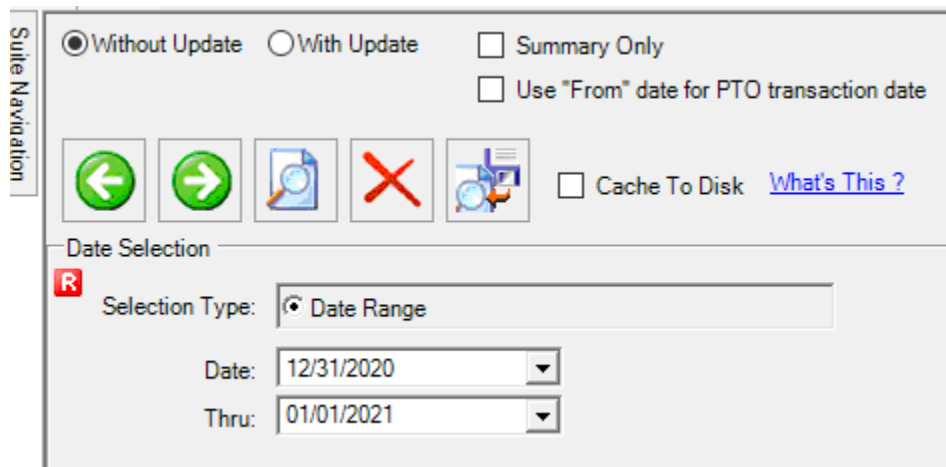
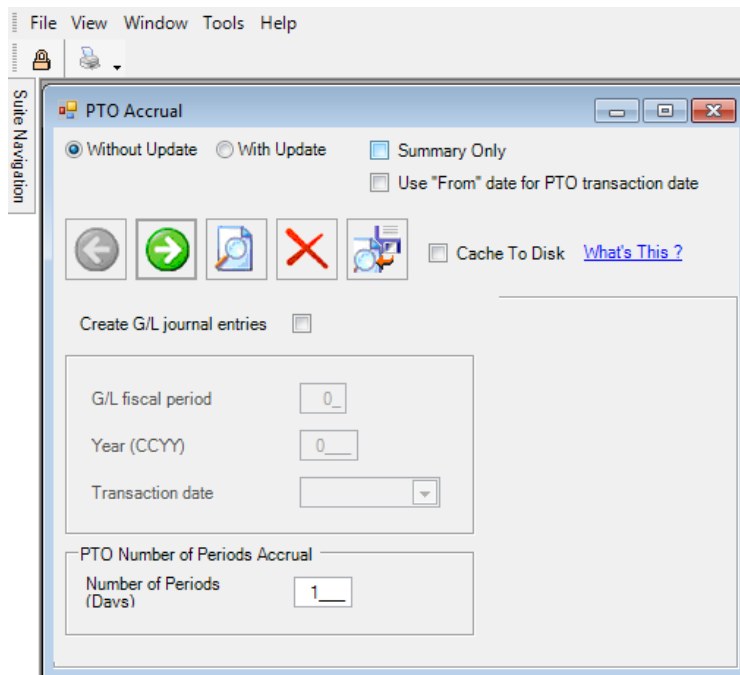
Depending on how your PTO plan is setup, you will need to determine when to run the accrual.

If your plan is **ANNUAL**-starting at the beginning of the year, after the last payroll of the prior year and before you process your first payroll, you would run the PTO Period Accrual for the date range 12/31/2020 – 01/01/2021 so that the rollover transactions (negatives) are dated 12/31 to zero out the Earned and Taken in the year they were Earned/Taken and give the new Earned as of 01/01.

ALWAYS Run the PTO Period Accrual “Without Update” first and carefully review the report to see how the transaction will rollover or clear the plan available amounts. The first screen allows you to create Journal Entries for hours accrued/earned. The JE’s can be created running “With” or “Without” update.

- Check the box for Create G/L journal entries
- Enter the G/L fiscal period
- Enter the Year
- Enter the Transaction date for the JE

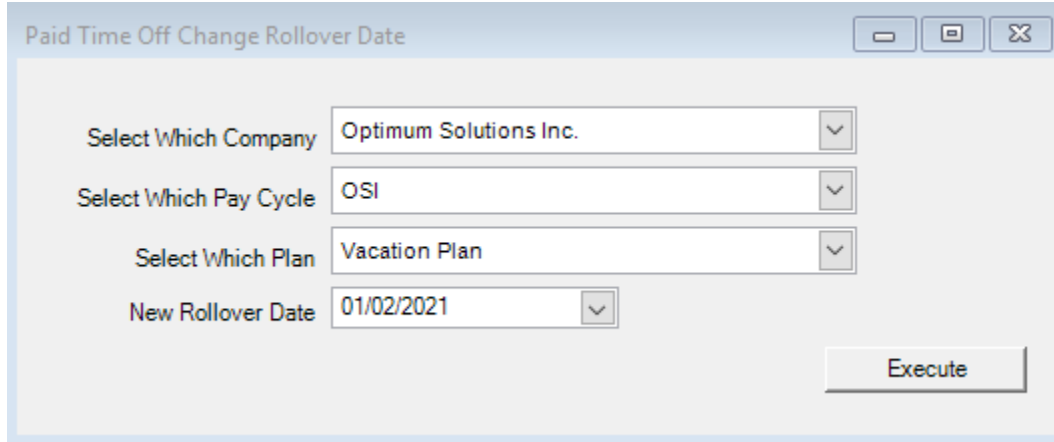
Note: You have to have the GL accounts setup on the PTO Plans code table to create the JE.



If your plan is based on a **CALENDAR** year and the first check of the year includes PTO time taken from the last period of the year, you will need to consider if you want to let the system do the roll over on this payroll. For example, if the last pay period date range is 12/26-12/31, but the check date is **01/07**, any PTO taken counts toward the new year and prior year earned hours rolls over or is cleared. In this case you will want to change the Rollover date so that the PTO taken counts towards the prior year. **The next example shows you how easy it is to change that rollover date for your plans.**

PATH: Suite Navigation > Payroll Processes > **PTO Change Rollover**

Choose your company, select the Plan to change and enter the new Rollover Date. Click on Execute. There is no need to change this back to your original rollover date unless you want to.



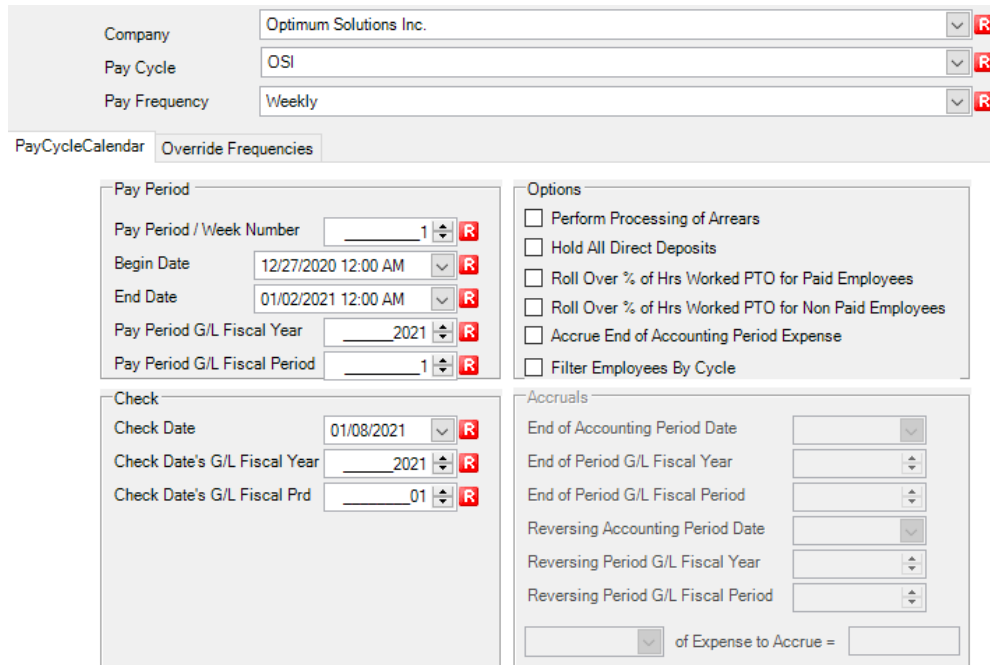
The screenshot shows a software window titled "Paid Time Off Change Rollover Date". It features four dropdown menus for selection: "Select Which Company" (Optimum Solutions Inc.), "Select Which Pay Cycle" (OSI), "Select Which Plan" (Vacation Plan), and "New Rollover Date" (01/02/2021). An "Execute" button is positioned at the bottom right of the form area.

Another option to avoid having to change the Rollover date every year is to change the policy that PTO time must be used prior to the last period of the year. For example, earned PTO would have to be used during the next to last pay period so that the check date would be in the current year. Any time used during the last pay period of the year would count towards the New Year's earned hours.

Step 5: Update the Payroll Pay Cycle Calendar (Pay Periods and Check dates) for the entire year rather than entering them during Payroll Processing, and perhaps entering the incorrect date when you are in a hurry. (This step is optional, but recommended.)

PATH: Suite Navigation > Code Tables – All > **Payroll Pay Cycles Calendar**

Use your company’s Accounting Calendar to set up the whole year. Press the **New** icon, Select your Company, Pay Cycle and Pay Frequency from the drop down list.



Pay Cycle Calendar Tab

Pay Period Section:

1. Key in the first Pay Period/Week Number – usually 1 although your Fiscal year may start differently.
2. Key in the Begin Date along with 12:00 AM unless your workday starts at a different time.
3. Key in the End Date along with 12:00 AM unless your workday ends at a different time.
4. Key in the Pay period G/L Fiscal Year and Period

Check Section:

1. Key in the Check Date for the period
2. Key in the Check Date’s G/L Fiscal Year and Period
3. Click Override Frequency tab and select the frequencies for your normal payrolls.

Options Section:

Check those options applicable to your company’s practices.

Accruals Section:

Check those options applicable to your company’s practices. For the periods that cross months and if you do accruals, select those periods and fill out the information. Review this link for more information: <https://support.optimum-solutions.com/accrue-end-of-accounting-period-expense-in-payroll/>

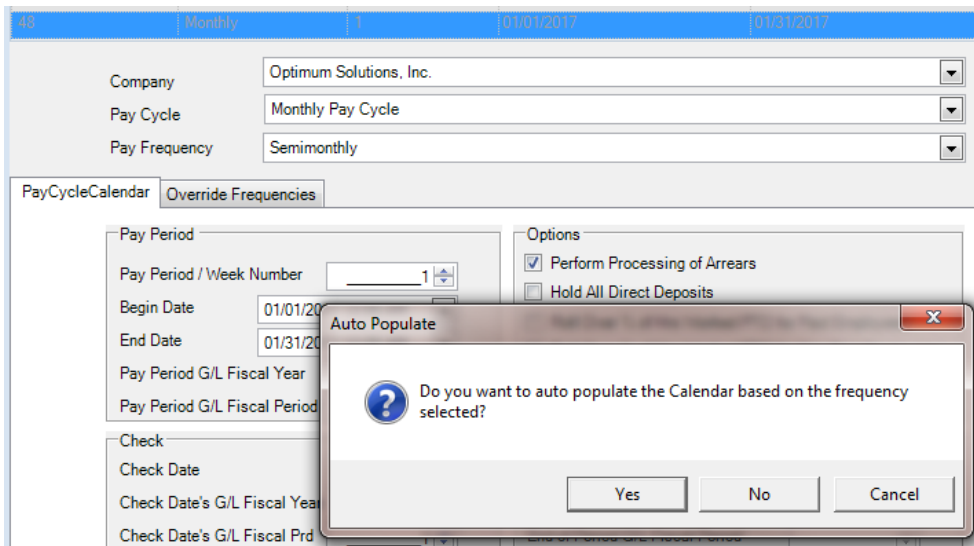
Override Frequency

1. Click Override Frequency tab and select the deduction and benefit frequencies for your *normal payrolls.

When completed, click on the **Save** Icon or press Ctrl-S.

You may see a couple of pop-up boxes stating the dates are not in the current year. Just click **OK** on those.

An **Auto Populate** box will pop up asking if you want to auto populate the rest of the year. Select **Yes**. *The system takes your entries for the first pay cycle and continues through the entire year.*



What results is a whole year of pay cycles set up for you. You can change these individually as needed. For instance, *if you have a Bi-Weekly pay cycle, there are 2 months of the year that have 3 periods. You don't want deductions to come out, so select those periods and move the deduction frequency to the left.

Company	Pay Cycle	Pay Period	Pay Period Begin date	Pay Period End date	Check date
1	WE	1	12/27/2020	01/02/2021	01/08/2021
1	WE	2	01/03/2021	01/09/2021	01/15/2021
1	WE	3	01/10/2021	01/16/2021	01/22/2021
1	WE	4	01/17/2021	01/23/2021	01/29/2021
1	WE	5	01/24/2021	01/30/2021	02/05/2021
1	WE	6	01/31/2021	02/06/2021	02/12/2021
1	WE	7	02/07/2021	02/13/2021	02/19/2021
1	WE	8	02/14/2021	02/20/2021	02/26/2021

Company: Optimum Solutions Inc.

Pay Cycle: OSI Delete Pay Cycle

Pay Frequency: Weekly

Pay Period

Pay Period / Week Number: 1

Begin Date: 12/27/2020 12:00 AM

End Date: 01/02/2021 12:00 AM

Pay Period G/L Fiscal Year: 2021

Pay Period G/L Fiscal Period: 1

Options

Perform Processing of Arrears

Hold All Direct Deposits

Roll Over % of Hrs Worked PTO for Paid Employees

Roll Over % of Hrs Worked PTO for Non Paid Employees

Accrue End of Accounting Period Expense

Filter Employees By Cycle

Check

Check Date: 01/08/2021

Check Date's G/L Fiscal Year: 2021

Check Date's G/L Fiscal Prd: 1

Accruals

End of Accounting Period Date: []

End of Period G/L Fiscal Year: []

End of Period G/L Fiscal Period: []

Reversing Accounting Period Date: []

Reversing Period G/L Fiscal Year: []

Reversing Period G/L Fiscal Period: []

[] of Expense to Accrue = []

Delete Prior Year Calendars for Pay Cycles

You can delete old year calendars so you don't have so many rows. Select the 1st row of the year you want to delete and click the Delete Pay Cycle button. This will delete all rows with that year's check date for that pay cycle. Repeat for additional pay cycles until you have only the current year left.

Company	Pay Cycle	Pay Period	Pay Period Begin date	Pay Period End date	Check date
1	WE	44	10/27/2019	11/02/2019	11/08/2019
1	WE	45	11/03/2019	11/09/2019	11/15/2019
1	WE	46	11/10/2019	11/16/2019	11/22/2019
1	WE	47	11/17/2019	11/23/2019	11/29/2019
1	WE	48	11/24/2019	11/30/2019	12/06/2019
1	WE	49	12/01/2019	12/07/2019	12/13/2019
1	WE	50	12/08/2019	12/14/2019	12/20/2019
1	WE	51	12/15/2019	12/21/2019	12/27/2019

Company: Optimum Solutions Inc.

Pay Cycle: OSI Delete Pay Cycle

Pay Frequency: Weekly

If you have multiple Pay Cycles, repeat this process for each.

Step 6: You will need to set up the holiday calendar for the New Year, if using **OSI Time and Attendance**. Setting up the new holidays for missing punches and if the employee works on a holiday and gets special pay.

PATH: Suite Navigation > TA Setup > Calendar Maintenance > Calendar Days Maintenance

You may change the existing calendar dates or add new ones.

The screenshot displays the 'Calendar Days Maintenance' interface. On the left sidebar, the 'Calendar Days Maintenance' button is highlighted with a red circle. The main window shows a table of calendar days for a 'Standard' calendar. The table columns are Calendar, Date, Day Description, and Holiday. The 'New Years Day' entry for 01/01/2016 is selected. Below the table, the 'Calendar Days Detail' section shows the selected entry with fields for 'Calendar Day Description' (New Years Day), 'Calendar Date' (01/01/2016), and a checked 'Holiday' checkbox. There are also buttons for 'New Calendar Day' and 'Copy Calendar Day'.

Calendar	Date	Day Description	Holiday
Standard	05/30/2016	Memorial Day	<input checked="" type="checkbox"/>
Standard	01/01/2016	New Years Day	<input checked="" type="checkbox"/>
Standard	12/25/2015	Christmas Day	<input checked="" type="checkbox"/>
Standard	12/24/2015	Christmas Eve	<input checked="" type="checkbox"/>
Standard	11/27/2015	Day After Thanksgiving	<input checked="" type="checkbox"/>
Standard	11/26/2015	Thanksgiving Day	<input checked="" type="checkbox"/>
Standard	09/07/2015	Labor Day	<input checked="" type="checkbox"/>
Standard	07/03/2015	Independence Day	<input checked="" type="checkbox"/>
Standard	12/25/2014	Christmas Day	<input checked="" type="checkbox"/>
Standard	12/24/2014	Christmas Eve	<input checked="" type="checkbox"/>
Standard	11/28/2014	Day After Thanksgiving	<input checked="" type="checkbox"/>
Standard	11/27/2014	Thanksgiving	<input checked="" type="checkbox"/>
Standard	09/01/2014	Labor Day	<input checked="" type="checkbox"/>
Standard	07/04/2014	Independence Day	<input checked="" type="checkbox"/>
Standard	05/26/2014	Memorial Day	<input checked="" type="checkbox"/>
Standard	01/01/2014	New Years Day	<input checked="" type="checkbox"/>
Standard	12/25/2013	Christmas Day	<input checked="" type="checkbox"/>
Standard	12/24/2013	Christmas Eve Day	<input checked="" type="checkbox"/>
Standard	11/29/2013	Thanksgiving Day Friday	<input checked="" type="checkbox"/>
Standard	11/28/2013	Thanksgiving Day	<input checked="" type="checkbox"/>
Standard	09/02/2013	Labor Day	<input checked="" type="checkbox"/>
Standard	07/04/2013	Independence Day	<input checked="" type="checkbox"/>
Standard	05/27/2013	Memorial Day	<input checked="" type="checkbox"/>
Standard	01/01/2013	New Year's Day	<input checked="" type="checkbox"/>
Standard	12/25/2012	Christmas Day	<input checked="" type="checkbox"/>
Standard	12/24/2012	Christmas Eve Day	<input checked="" type="checkbox"/>
Standard	11/23/2012	Thanksgiving Day Friday	<input checked="" type="checkbox"/>

Calendar Days Detail
 Calendar Day Description: New Years Day
 Calendar Date: 01/01/2016
 Holiday
 Earnings Type Overrides

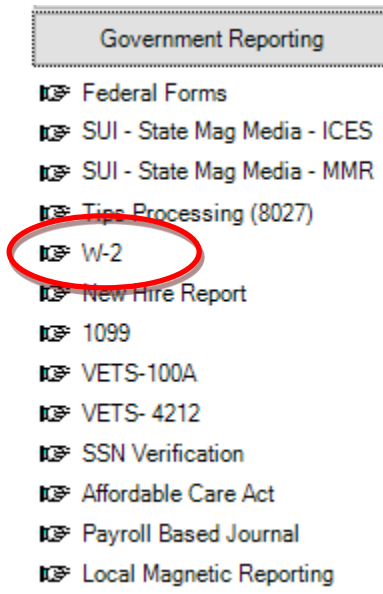
W-2 Process and Filing

W-2 Processing

Step 1: The W-2 program will be released in an update in December and you will be notified via email when it is ready for pickup. If you are not receiving update emails from Optimum, please contact your support representative.

Step 2: Create the W-2 Work File for processing W-2 information.

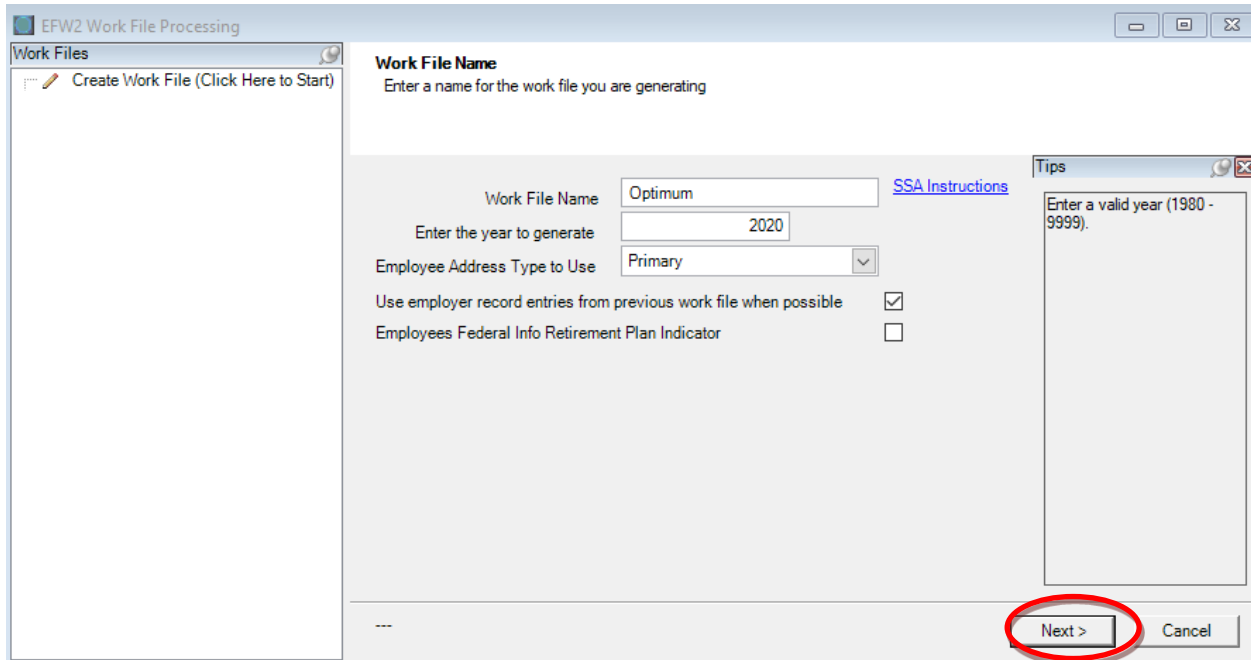
PATH: Suite Navigation > Government Reporting > **W-2**



Did you know that you can create a work file as many times as you want? You can even create them throughout the year during your quarterly balancing. The important thing is to go through the steps until you are comfortable with the process.

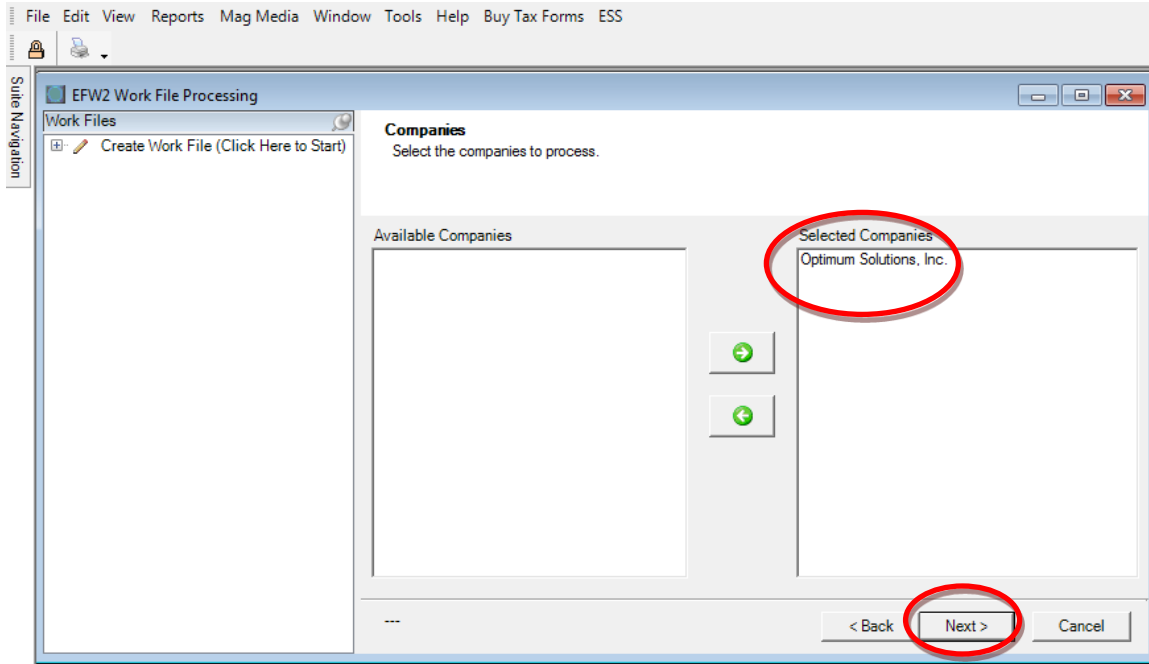
1. Click on Create Work File

- Enter the Work File name
- Enter the Year if it does not auto-populate to the current year.
- Choose Employee Address Type to use. Primary is the default.
- *Use employer record entries from previous work file when possible* is defaulted to checked.
- Employees Federal Info Retirement Plan Indicator check box
 - If checked, the system looks to the Employees Federal screen to see if the Retirement Plan checkbox in the W2 Related Items area is checked. *Note: this flag is used when there is not 100% participation in the retirement plan, so the federal screen flag is checked for all eligible employees. See page 16-17 for more info.*
 - If not checked, the system looks at the Benefit Master-Taxability tab to see if the Retirement Savings Plan Deduction check box is checked, and if so...looks at history to see if there has been activity for the employee during the reporting year. *Note: this flag is used when there is 100% participation in the retirement plan.*
- Click Next



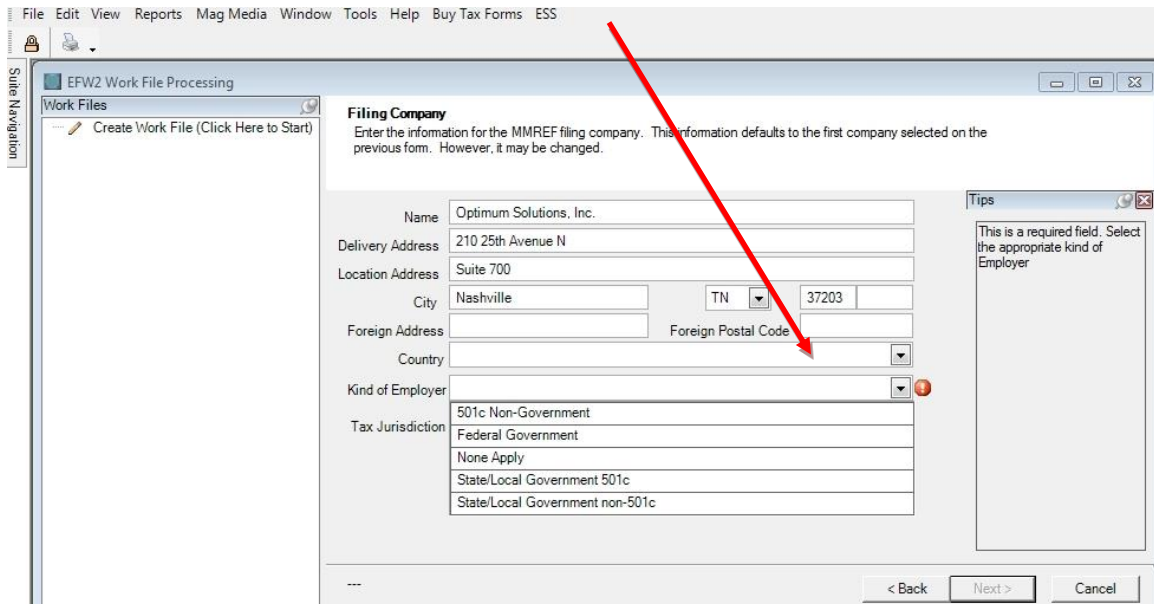
2. Select the company for which you wish to create a W-2 work file in the list of available companies. Use the green arrow to move the company name over to the right. If you have only one company, it should default to the right.

- Click Next.



3. Verify that your Company's information is correct and make any changes necessary.

- Select Kind of Employer from the drop down list*.



*For an explanation of these choices, refer to the Publication 42 – <https://www.ssa.gov/employer/efw/16efw2.pdf>

Administration [US] | <https://www.ssa.gov/employer/efw/16efw2.pdf>

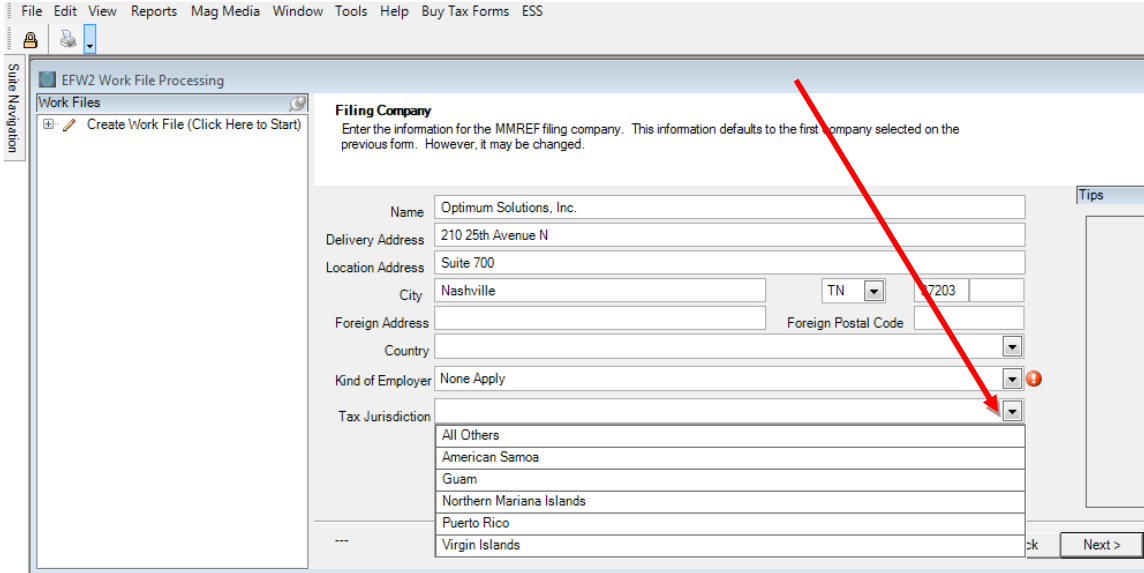
OF THE MMREF-1 PUBLICATION IS A FINAL DRAFT

39 / 111

Social Security Administration Publication No. 42-007
EFW2 Tax Year 2016 V.2

RE POSITION	FIELD NAME	LENGTH	FIELD SPECIFICATIONS
165-169	ZIP Code	5	Enter the employer's ZIP code. For a foreign address, fill with blanks.
170-173	ZIP Code Extension	4	Enter the employer's four-digit extension of the ZIP code. If not applicable, fill with blanks.
174	Kind of Employer	1	<p>This is a required field.</p> <p>Enter the appropriate kind of employer:</p> <p>F = Federal govt. <i>(Federal government entity or instrumentality)</i></p> <p>S = State/local non-501c. <i>(State or local government or instrumentality (this includes cities, townships, counties, special-purpose districts or other publicly-owned entities with governmental authority))</i></p> <p>T = 501c non-govt. <i>(Non-governmental tax-exempt section 501(c) organization (types of 501(c) non-governmental organizations include private foundations, public charities, social and recreation clubs and veterans organizations))</i></p> <p>Y = State/local 501c. <i>(State or local government or instrumentality where the employer received a determination letter from the IRS indication that they are also a tax-exempt organization under section 501(c)(3))</i></p> <p>N = None Apply</p> <p><i>Note: Leave blank if the Tax Jurisdiction Code in position 220 of the RE Record is P (Puerto Rico).</i></p>

- Tax Jurisdiction **If your company is in the U.S. leave this blank.** If in one or more of the countries listed, make your selection from the drop down list.

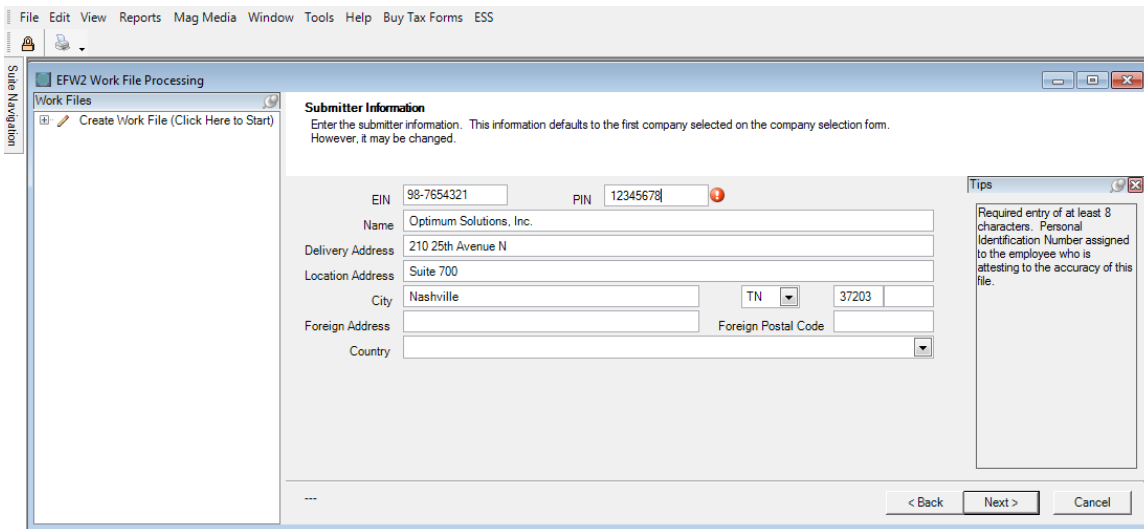


- Click Next.

4. Enter your 8 digit SSA PIN#.

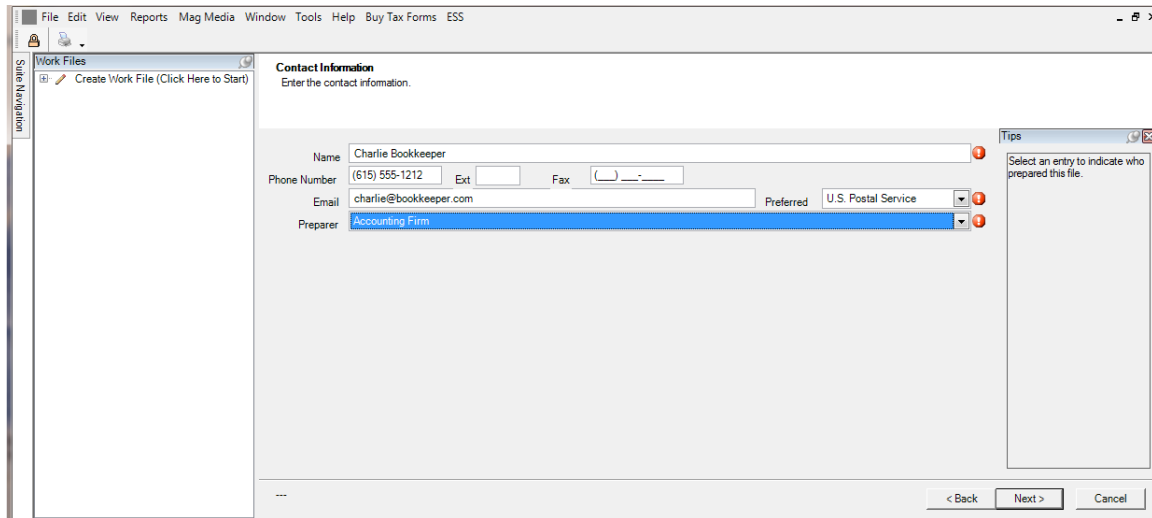
- Verify the other information is correct.
- Click Next

For more information on obtaining an SSA PIN, go to <http://www.ssa.gov/bsa> This link will take you to “Business Services Online,” select “Registration.”

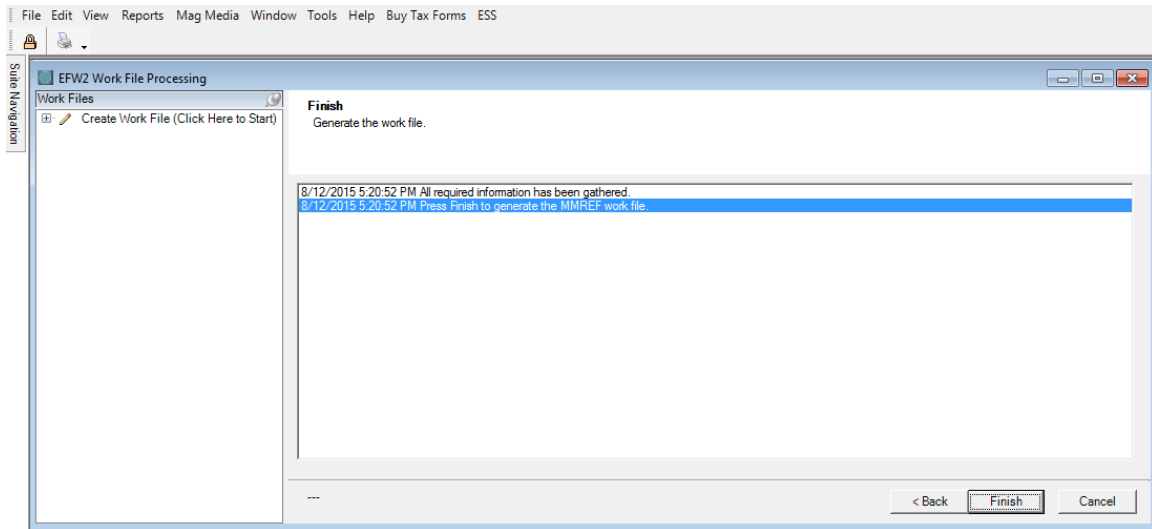


5. Enter the Contact Information including name and phone numbers.

- Select the Preferred method of contact
- Select who the Preparer of the file is
- Click Next

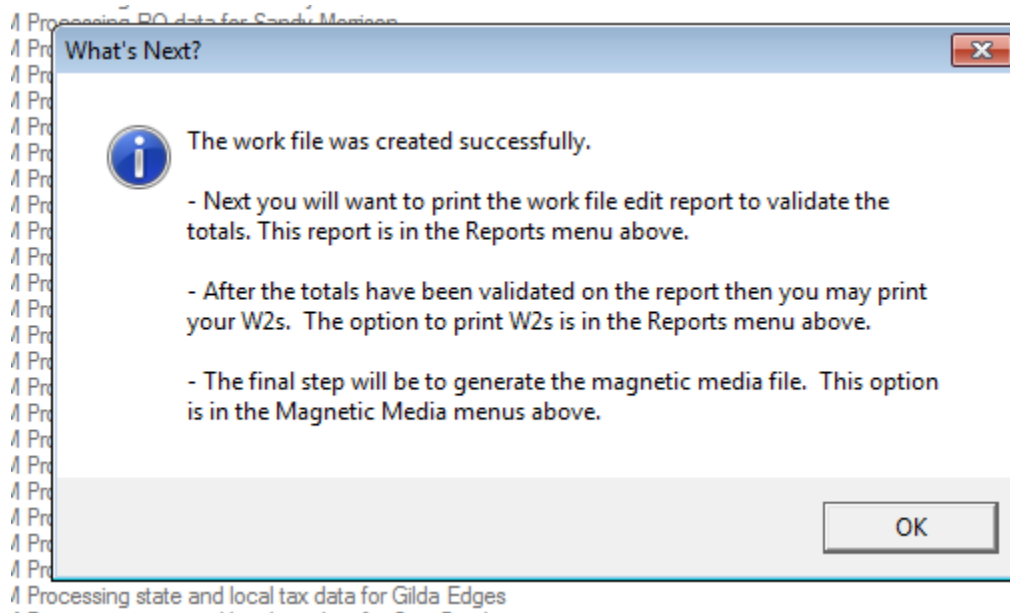


6. All of the information is now gathered and you are ready to create the W-2 Work File. Click Finish to create the file.

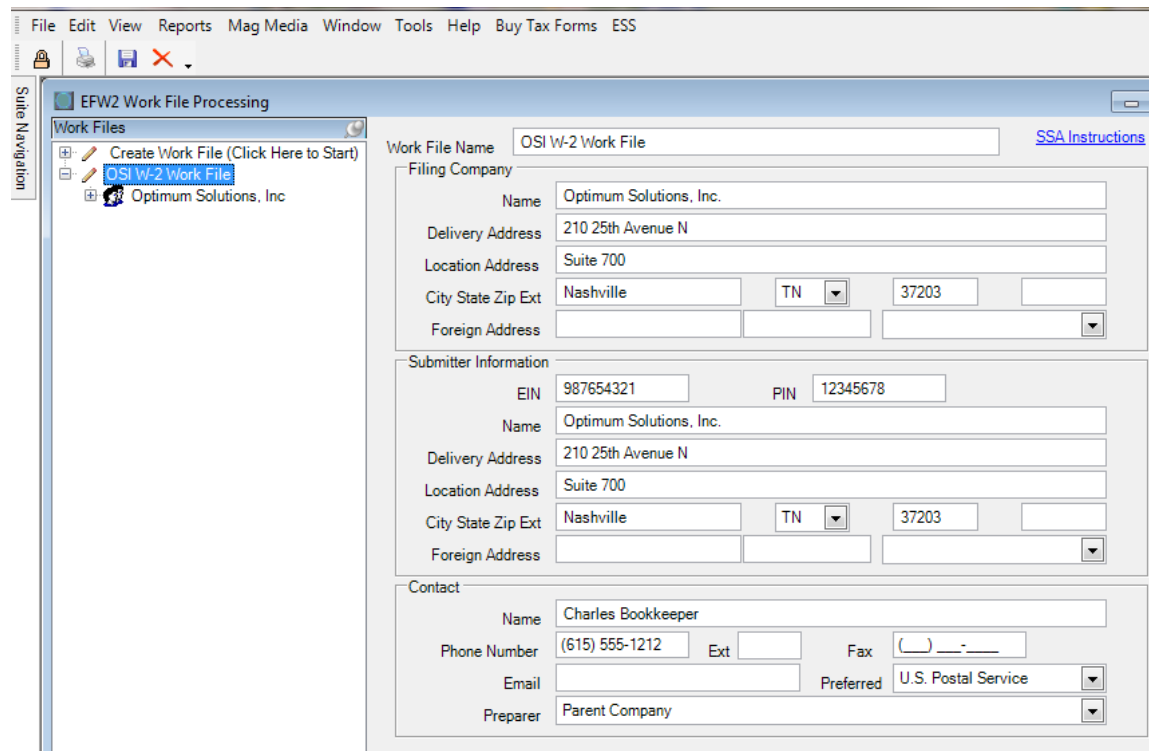


This message tells you the next steps to take.

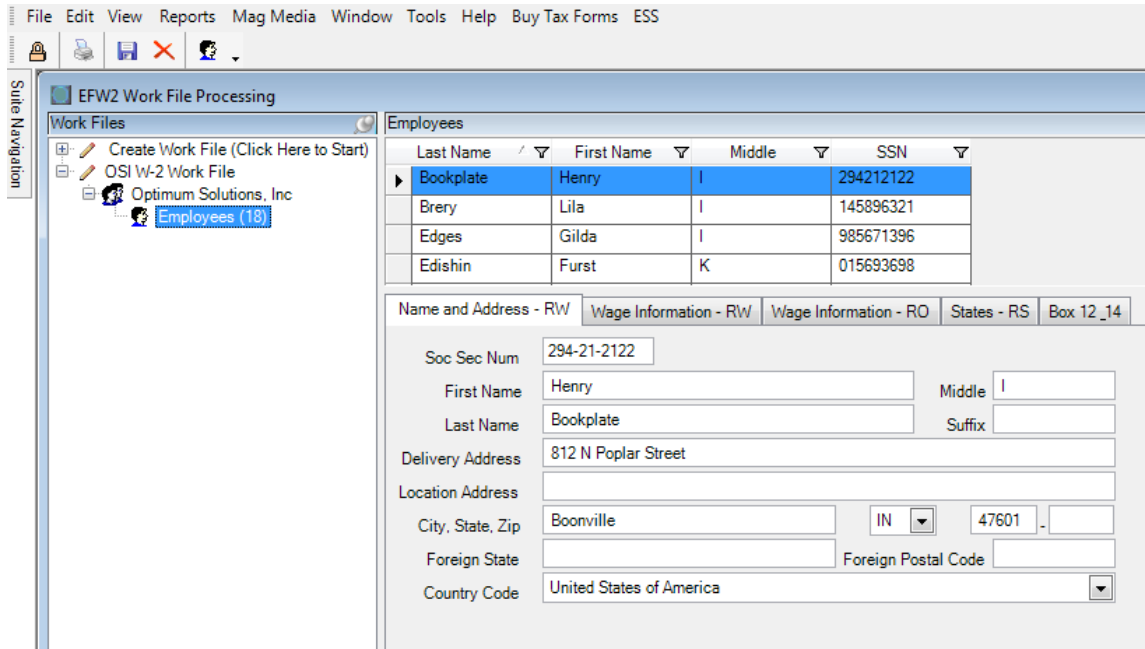
Click OK



Step 3: Make Applicable Changes to the W2 work file.



- Click on the company name in the list of Work Files
- Click on Employees
- Find the Employee's name you wish to change or add data to.
- Select the tab that contains the information you wish to manipulate.
- Make the changes and Save.

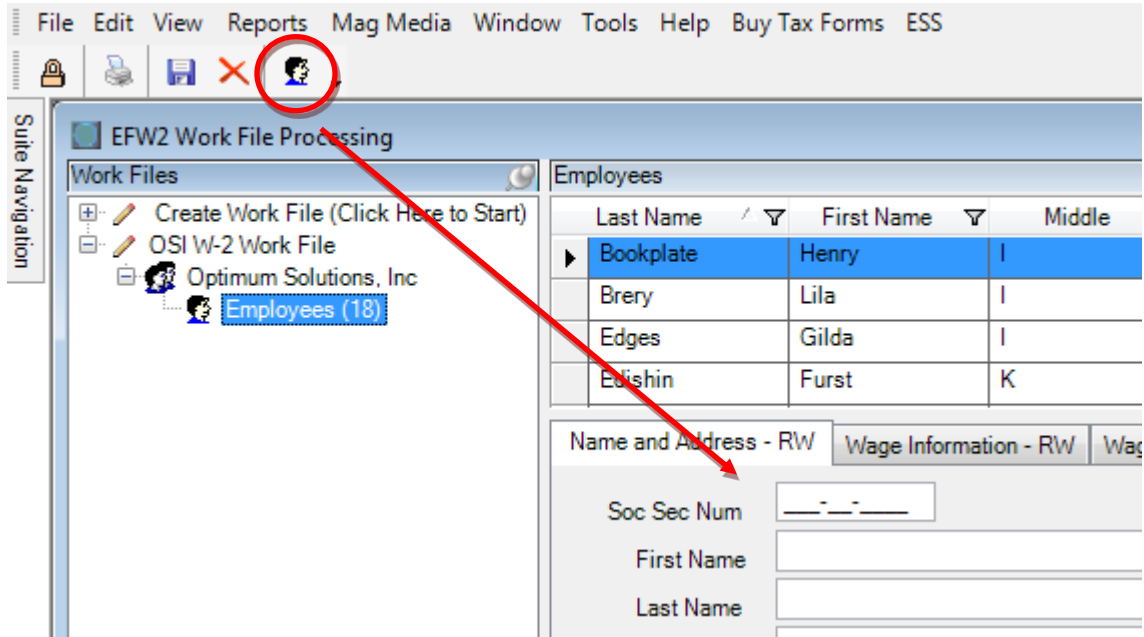


NOTE: Any information added or changed in the W-2 work file will NOT be in history. In order to add it to history, you will need to change it in Optimum Suite. (i.e. Address change – change in the Employee Master or change to wages – make a manual adjustment in payroll processing.) If you make changes in the system, you will need to recreate the W-2 work file. This work file can be re-created as many times as you need to.

DID YOU KNOW? ...that you can easily create a W-2 work file for prior years if the History is in Optimum?

From here, you can also **add an employee** to the Work File, but you must be logged in as Administrator User ID.

- Click on the “Add Employee” icon (single head)
- Enter all of the Employee’s information in the appropriate tabs.
- Save.



Again, a reminder that adding an employee to the W-2 work file does NOT add them to Optimum Suite history.

Step 4: Verification Process using Reports and the W-2 Edit - Once the W-2 Work File has been created, the data needs to be checked against your Quarterly Reports and other reports from History in order to verify that the Work File contains the correct information.

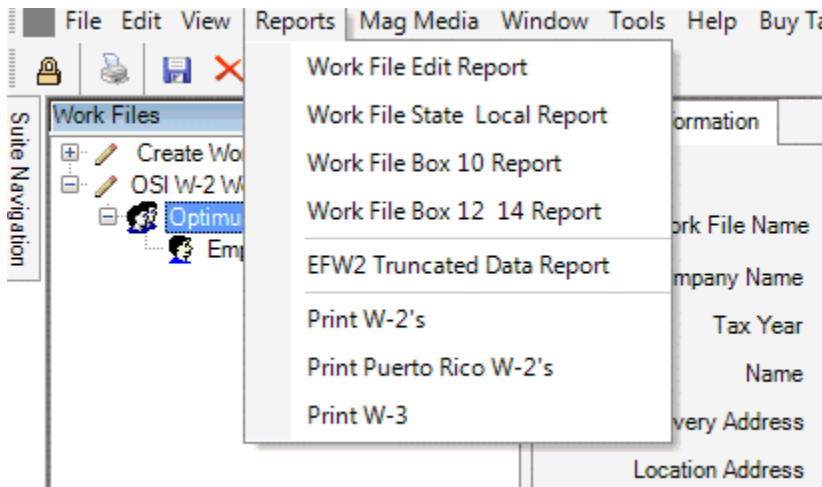
1. First you will need to print out the **Work File Reports** to compare to the information that is already in history.

PATH: Suite Navigation > Government Reporting > **W-2**



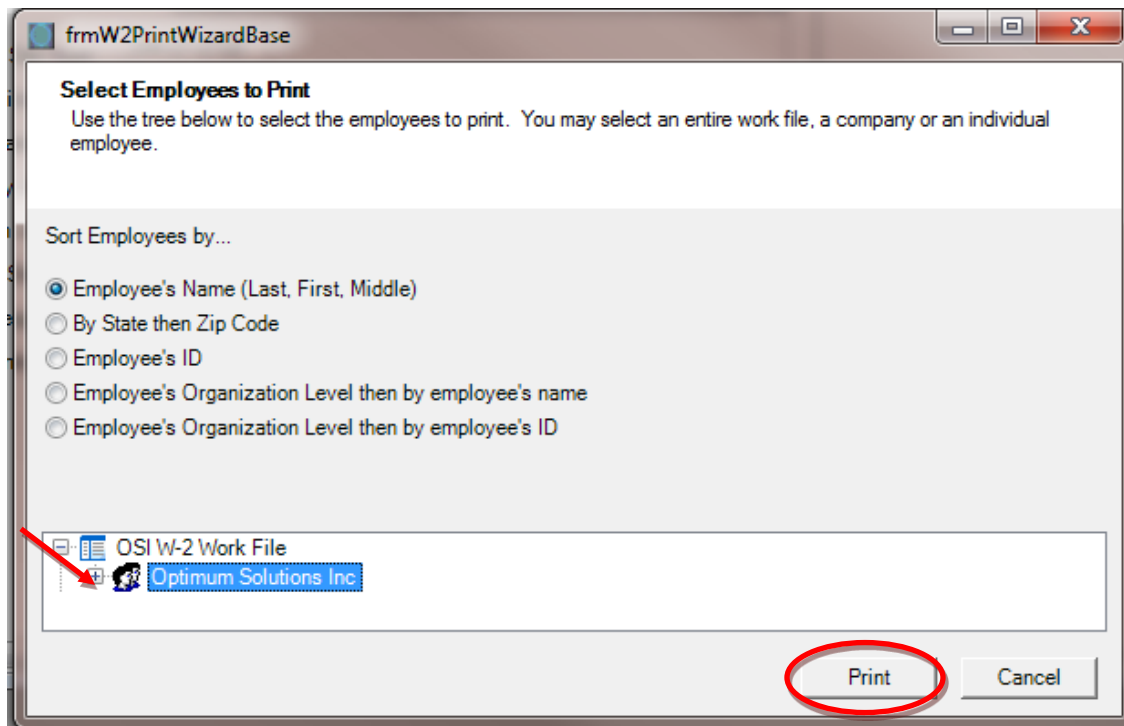
2. Click on “Reports” from the Menu Bar

- Choose the report you wish to print from the W-2 Work File.



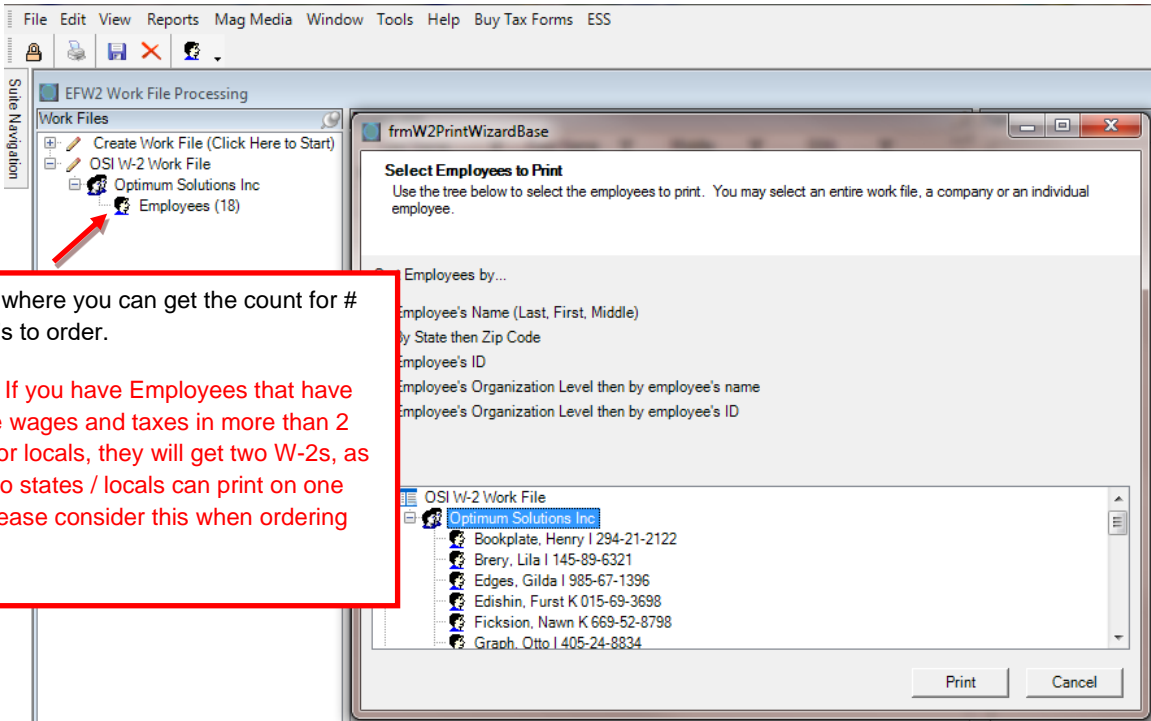
3. Select the particular W-2 Work File that you want to report on. (You will see your SUI MMREF files here as well.)

- Choose how you wish to sort the information on the report
- Click Print



4. You can print these reports for one or more employees within the Work File as well.

- Double click on the Work File Name
- Double click on the Company Name
- Select the Employee(s) from the list
- Print



This is where you can get the count for # of W-2's to order.

NOTE: If you have Employees that have taxable wages and taxes in more than 2 states or locals, they will get two W-2s, as only two states / locals can print on one W2. Please consider this when ordering W-2s.



5. The **Work File Edit Report** gives each employee's Wages and Taxes Withheld for all Federal Taxes.

- Use the Totals line to verify Federal Income Tax, FICA and Medicare for the company.
- Use the detail to see where any employee is out of balance.

Employee W2 Edit List							
Employee	FIT Wages,Tips	FIT Taxes W/H	SS Wages	SS Tips	SS Taxes W/H	Med Wages,Tips	Med Taxes W/H
Bookplate, Henry I	62690.60	5451.07	66745.94	0.00	4138.25	66745.94	967.82
Brery, Lila I	16211.60	1025.45	16382.17	0.00	1015.69	16382.17	237.54
Edges, Gilda I	42229.42	5050.95	45459.50	0.00	2818.49	45459.50	659.16
Edishin, Furst K	44599.08	2677.41	47014.03	0.00	2914.87	47014.03	681.70
Ficksion, Nawn K	20766.96	2368.80	21203.52	0.00	1314.62	21203.52	307.45
Graph, Otto I	34751.04	1815.12	35480.66	0.00	2199.80	35480.66	514.47
Logue, Catherine I	20790.96	1712.40	21227.52	0.00	1316.11	21227.52	307.80
Moi, Mercy A	43456.76	6082.94	44371.12	0.00	2751.01	44371.12	643.38
Moi, Minnie	571.28	37.96	584.00	0.00	36.21	584.00	8.47
Momison, Charity S	22752.26	2606.58	22752.26	0.00	1410.64	22752.26	329.91
Momison, Sandy	24115.74	2768.31	24610.46	0.00	1525.85	24610.46	356.85
Print, Outta I	26017.90	1896.47	26573.40	0.00	1647.55	26573.40	385.31
Shunarey, Dick C	50234.79	7777.48	51818.11	0.00	3212.72	51818.11	751.36
Storey, Tru I	37499.47	2392.41	38284.35	0.00	2373.63	38284.35	555.12
Table, Coffey I	38939.61	5034.66	40588.14	0.00	2516.46	40588.14	588.53
Tome, Dusty I	44716.94	5397.97	47156.95	0.00	2923.73	47156.95	683.78
Turey, Miss K	38363.61	4685.81	40012.14	0.00	2480.75	40012.14	580.18
Versey, Chapin C	23526.82	2722.75	24813.67	0.00	1538.45	24813.67	359.80
End of Company	592234.84	61504.54	615077.94	0.00	38134.83	615077.94	8918.63

6. The **Work File State_Local Report** contains each employee's State and Local Tax Information.

- This report is used to verify State and Local Taxes.

Work File State and Local						
Name	State Quarterly Unemployment Ins		State		Local	
	Total Wages	Total Taxable Wages	Taxable Wages	Income Tax Withheld	Taxable Wages	Income Tax Withheld
State : IN						
Local Name : WrckCtyLIT						
Tome, Dusty I					48800.95	239.04
WrckCtyLIT Local Totals:	0.00	0.00	0.00	0.00	28982795	1414.14
IN State Totals:	0.00	0.00	32384754	10318.02	28982795	1414.14
State : KY						
Local Name :						
Edishin, Furst K	47014.03	9900.00	44599.08	2231.24		
Ficksion, Nawn K	21203.52	9900.00	20766.96	939.00		
Momison, Charity S	22752.26	9900.00	22752.26	994.15		
Turey, Miss K	40012.14	9900.00	38363.61	1889.59		
Local Totals:	13098195	39600.00	12648191	6053.98	0.00	0.00
KY State Totals:	13098195	39600.00	12648191	6053.98	0.00	0.00
End of Company	27912331	70184.00	59279884	21298.25	28982795	1414.14

7. The **Work File Box 10 Report** shows what will print in box 10 on your W-2s.

Employee W2 Dependent Care Benefits	
Name	Benefit Amount
Tome, Dusty I	300.00
Turey, Miss K	80.00
End of Company	380.00

8. The **Work File Box 12_14 Report** shows what will print in boxes 12 and 14 for each employee and sorts and totals by Box Code

Employee W2 12 - 14		
Name	W2 Box Number	Total Deduction Amount
W2 Box: CASDI		
Moi, Minnie	14	3.82
Shumarey, Dick C	14	316.62
Versey, Chapin C	14	154.41
	CASDI Total:	474.85
W2 Box: D		
Bookplate, Henry I	12	4055.34
Brery, Lila I	12	170.57
Edges, Gilda I	12	3230.08
Edishin, Furst K	12	2414.95
Ficksion, Nawn K	12	436.56
Graph, Otto I	12	729.62
Logue, Catherine I	12	436.56
Moi, Mercy A	12	914.36
Moi, Minnie	12	12.72
Morrison, Sandy	12	494.72
Print, Outta I	12	555.50
Shumarey, Dick C	12	1583.32
Storey, Tru I	12	784.88
Table, Coffey I	12	1648.53
Tome, Dusty I	12	2440.01
Turey, Miss K	12	1648.53
Versey, Chapin C	12	1286.85
	D Total:	22843.10
W2 Box: DD		
Bookplate, Henry I	12	900.00
Brery, Lila I	12	550.00
Edges, Gilda I	12	480.00
Edishin, Furst K	12	900.00
Ficksion, Nawn K	12	480.00



Verification - Work Files vs. History Files

Now that the reports are printed from the Work File, reports will need to be printed from History for verification.

One of the most useful reports for Verification is the "Taxable Wage Totals Report." It can be used for verification of Federal, State and Local Taxes.

PATH: Suite Navigation > Reports > History Reports > **Taxable Wage Totals Report**

- Run the report with a Date Range for the entire year.
- This report can be run in **Summary** (a smaller report to verify just the totals) or in **Detail** (a much larger report broken down per employee.)

This is an example of the **Taxable Wage Report** when run in Detail.

This report breaks down each Tax Code by employee, and it gives Totals for each Tax Code.

Taxable Wage Totals											
Optimum Solutions Inc.											
Tax Code	Employee Name	Number	Gross Earnings	NonTaxable Deductions	Taxable Benefits	Nontaxable Earnings	Employee Taxable Wages	Taxes Withheld	Employer Taxable Wages	Employer Tax Expense	Total Taxes
FICA	Ball, Kathy B.	0740	7621.80	56.00	6.96	0.00	7572.76	469.51	7572.76	469.51	939.02
FICA	Goodwin, Danny K	0040	6496.00	1459.36	0.00	0.00	5036.64	312.27	5036.64	312.27	624.54
		Totals:	14117.80	1515.36	6.96	0.00	12609.40	781.78	12609.40	781.78	1563.56
FIT	Ball, Kathy B.	0740	7621.80	357.08	6.96	0.00	7271.68	621.76	7271.68	0.00	621.76
FIT	Goodwin, Danny K	0040	6496.00	1459.36	0.00	0.00	5036.64	506.80	5036.64	0.00	506.80
		Totals:	14117.80	1816.44	6.96	0.00	12308.32	1128.56	12308.32	0.00	1128.56
FUTA	Ball, Kathy B.	0740	7621.80	317.08	0.00	1600.00	5704.72	0.00	5704.72	34.24	34.24
FUTA	Goodwin, Danny K	0040	6496.00	1459.36	0.00	0.00	5036.64	0.00	5036.64	30.24	30.24
		Totals:	14117.80	1776.44	0.00	1600.00	10741.36	0.00	10741.36	64.48	64.48
MED	Ball, Kathy B.	0740	7621.80	56.00	6.96	0.00	7572.76	109.81	7572.76	109.81	219.62
MED	Goodwin, Danny K	0040	6496.00	1459.36	0.00	0.00	5036.64	73.03	5036.64	73.03	146.06
		Totals:	14117.80	1515.36	6.96	0.00	12609.40	182.84	12609.40	182.84	365.68
TNSUI	Ball, Kathy B.	0740	7621.80	56.00	0.00	0.00	7000.00	0.00	7000.00	22.40	22.40
TNSUI	Goodwin, Danny K	0040	6496.00	1459.36	0.00	0.00	5036.64	0.00	5036.64	16.12	16.12
		Totals:	14117.80	1515.36	0.00	0.00	12036.64	0.00	12036.64	38.52	38.52
End of Company : Optimum Solutions Inc.			Totals:	8138.96	20.88	1600.00		2093.18		1067.62	3160.80



Other useful Tax reports to use for verification can be found on the Reports Menu under Tax Reports.

PATH: Suite Navigation > Reports > Tax Reports

- From here you can print the **Federal Tax Report** for verifying Federal Tax amounts.
- Print the **State Tax Report** for State Tax amounts.
- Print the **Local Income Tax Report** for Local Tax amounts.
- These reports can only be run in Detail. There is no Summary option but there are totals at the end. Also you can export these direct to Excel.

Federal Tax										
Optimum Solutions Inc.										
Employee	FICA Taxable	FICA Withheld	Medicare Taxable	Medicare Withheld	FIT Taxable	FIT Withheld	FITR/FITM Taxable	FITR/FITM Withheld	FUTA Taxable	FUTA Tax
End of Company : Optimum Solutions Inc.			#ACTIVE: 128							
	992828.67	61555.34	1443142.39	24333.99	1412530.33	293398.93	20436.32	2115.08	640967.62	3845.44

State Tax					
Optimum Solutions Inc.					
SSN	Number	Name	Gross Wages	State Taxable	State Tax Withheld
State: AL TaxID#: 32323232 Tax Code: SITAL - SIT AL					
111-11-1112	1380	Sit , Alabama	3345.44	3289.44	123.84
213-13-1345	1010	Audit , Aubrey Neal	11448.00	10948.64	467.08
Total for Tax Code: SITAL			#ACTIVE: 2	14793.44	14238.08
Total for State: AL			#ACTIVE: 2	14793.44	590.92
State: CA TaxID#: 5412657 Tax Code: CASIT - SIT CA					
065-23-1112	0240	Baldwin , Katie A.	10758.48	10441.80	145.84
333-33-3777	1400	Sit , California	3248.00	2600.48	16.36
965-82-4555	0420	Redford III, Bob	14693.16	14573.16	957.52
Total for Tax Code: CASIT			#ACTIVE: 3	28699.64	1119.72
Total for State: CA			#ACTIVE: 3	28699.64	1119.72
End of Company : Optimum Solutions Inc.			#ACTIVE: 5	43493.08	1710.64

Local Income Tax					
Optimum Solutions Inc.					
SSN	Number	Name	Gross Wages	Local Taxable	Local Tax Withheld
Tax Code: HamIN - LIT IN Hamilton Res TaxID#: 3212232321					
985-21-2125	1280	Sit , Pennsylvania	7359.96	7359.96	73.60
Total for Tax Code: HamIN			#ACTIVE: 1	7359.96	73.60
Tax Code: LITKEN - LIT OH - Kenton School Dist (OHSD04) TaxID#: 32652111					
283-29-8923	1530	Sit , Ohio	3248.00	3248.00	32.48
Total for Tax Code: LITKEN			#ACTIVE: 1	3248.00	32.48
Tax Code: OHAshland - LIT OH - Ashland City (OH02568) TaxID#: 659866					
283-29-8923	1530	Sit , Ohio	3248.00	3248.00	32.48
Total for Tax Code: OHAshland			#ACTIVE: 1	3248.00	32.48
Tax Code: WarrickCTY - LIT IN Warrick Cty - Resident TaxID#: 123456					
123-45-6689	0920	King , Andrew	5483.20	5483.20	25.52
932-83-8228	1450	Sit , Indiana	3248.00	3248.00	16.24
Total for Tax Code: WarrickCTY			#ACTIVE: 2	8731.20	41.76
End of Company : Optimum Solutions Inc.			#ACTIVE: 5	22587.16	180.32

Verifying Deductions in Boxes 12 and 14

PATH: Suite Navigation > History Reports

- Choose the **Benefits by Benefit Code- Summary** Report. Run the report for those benefits (employer contributed) that should be showing in Box 12-14. Make sure you include terminated EE's.
- Choose the **Deductions by Deduction Code- Summary** Report. Run this report for those deductions (employee contributions) that should be showing in Box 12-14. Make sure you include Terminated EE's.
- For both reports, use a date range for the entire year.
- These reports can be run in Detail or Summary (see separate detail report)
- Use these reports to verify the amounts from the Work File Box 12_14 Report.

Here are some examples of these reports:

Benefits Summary By Benefit Code Optimum Solutions Inc.		
Benefit	Description	Amount Applied
29	Health Insurance	15189.28
Life	Group Term Life - Employee > 50K	1096.32
End of Company : Optimum Solutions Inc.		16285.60

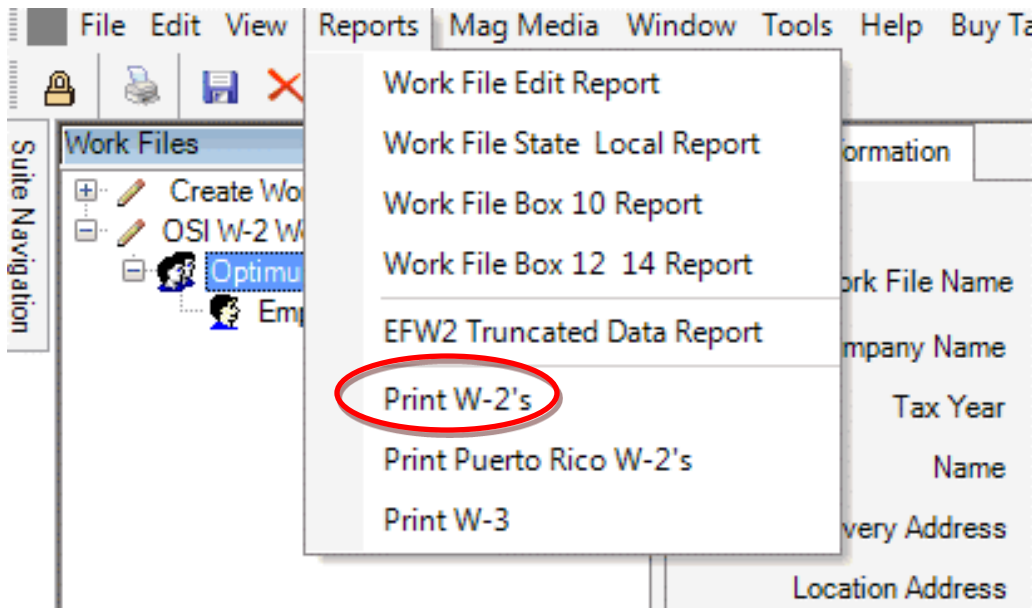
Deductions By Deduction Code - Summary Optimum Solutions Inc.		
Deduction Description	Mgmt Fee	Amount Deducted
Health Insurance	0.00	6742.88
401k Catch Up	0.00	0.00
401K	112.00	29002.07
Flex spending	0.00	150.00
HSA - Health Savings Account	0.00	2626.88
End of Company : Optimum Solutions Inc.	112.00	38521.83

Step 5: Printing W-2s for employees can be an easy process with the proper preparation.

PATH: Suite Navigation > Government Reporting > **W-2**

1. Click on “Reports” from the Menu Bar

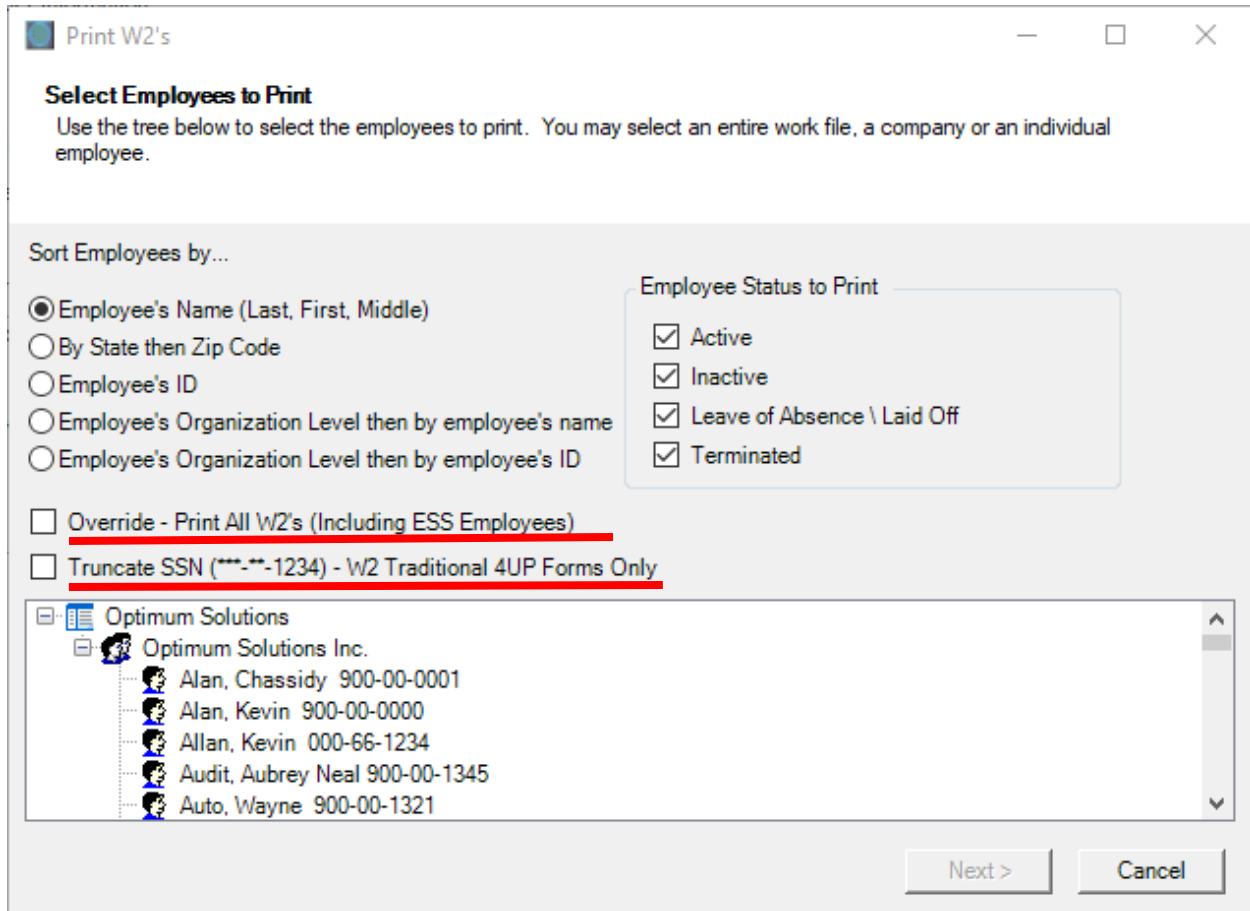
- Choose Print W-2’s



2. Select your Work File from the list.

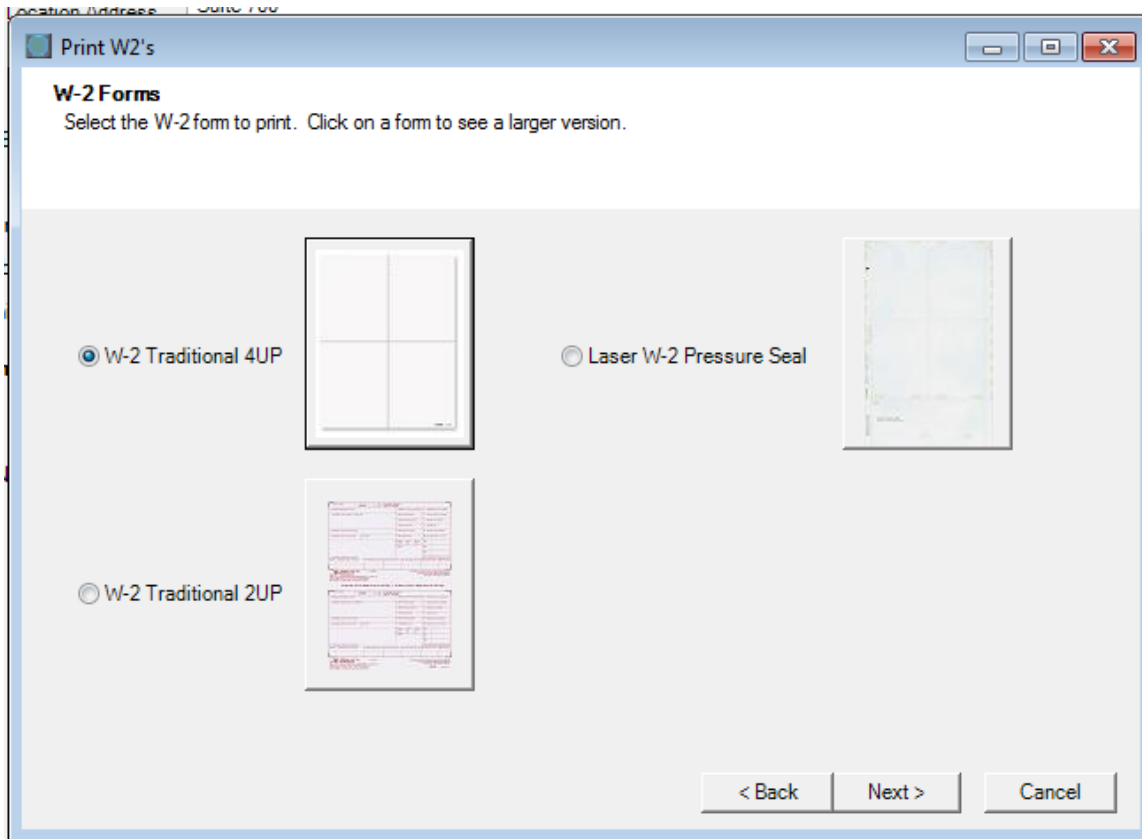
Note that all the employees will be selected by clicking the Work File or the Company Name. You can also select just one employee’s W-2 at a time from here by clicking on the work file name, then clicking the company name, and selecting the employee(s).

- Select the bullet next to the order in which you want the W-2’s to be printed.
- Select the Employee Status: Active, Inactive, leave of Absence, Terminated or a combination of them all.
- **If you want to print all W2’s including ESS Employees to save to PDF, check the Override – Print All W2’s (Including ESS Employees) box.**
- ****NEW-** If you choose to Truncate the SSN on the W2, check the box.
- Click “Next”



3. Next, select the W-2 form you wish to print by clicking on the form name.

- For Employee copies, use the “W-2 Traditional 4UP” or the “Laser W-2 Pressure Seal” depending of which kind you purchased. (Both are blank fronts and Optimum prints all data including boxes on the blank form.)
- If you are not filing electronically, use the “W-2 Traditional 2UP” for filing purposes.
- Click “Next”



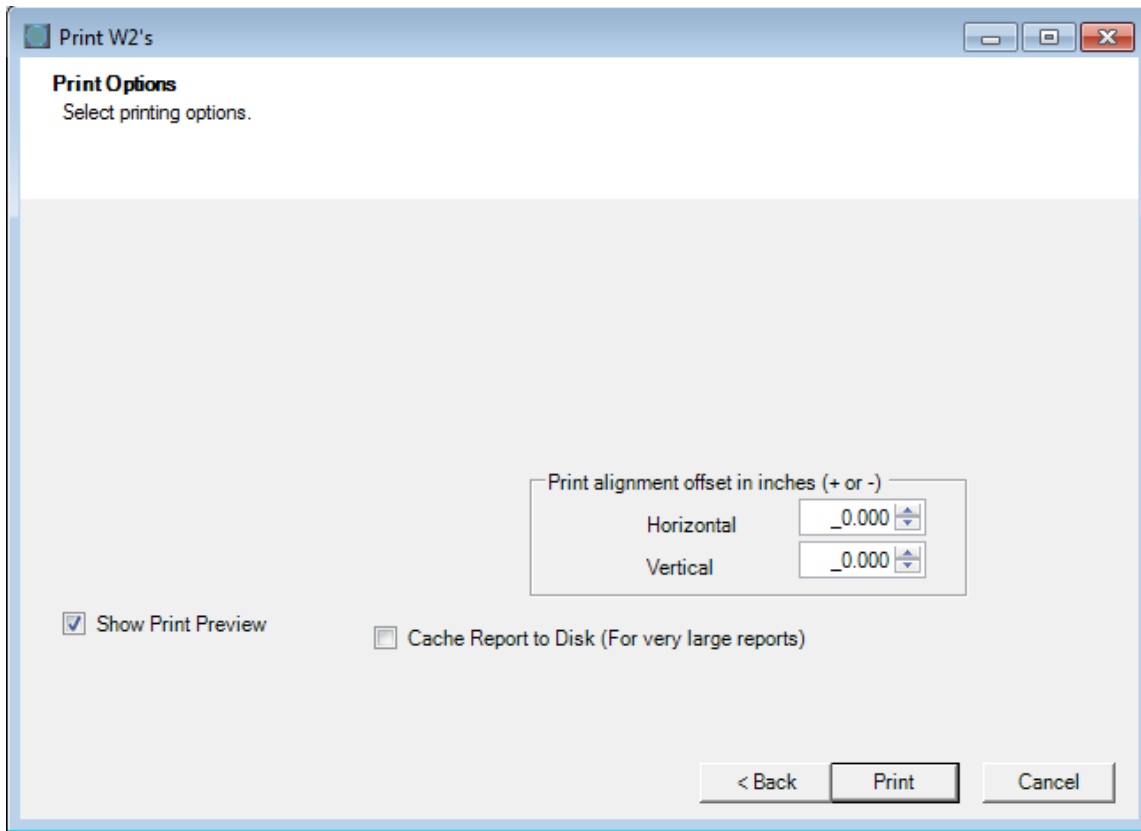
Optimum software does not print the instructions on the back for the 4UP form. You would purchase the blank front, and instructions on back from Print-2-Mail or vendor of your choice.

4. The next screen will provide an alignment tool.

- Those printing on the pre-printed 2-UP forms can do minor adjustments in order to make the print-out line up better with the boxes on the pre-printed forms. *If you are printing on the 4-UP blank forms, ignore the print alignment.*

Horizontal	-	Adjust to the left
	+	Adjust to the right
Vertical	-	Adjust higher
	+	Adjust lower

- We recommend leaving the Show Print Preview checked so you can see what is going to print first.
- Click “Print”



5. The Print Viewer will open and show you exactly what will be printed from Optimum Suite.

- Click the green down arrow to see all of the W-2 forms.
- Click Print when ready to print forms. We suggest printing a few W-2's to blank paper first before inserting your purchased forms into the printer.

The example below is for a “W-2 Traditional 4UP.”

The screenshot shows the W-2 Report Viewer interface. The Print icon (a printer) and the Export icon (a document with an arrow) are circled in red. Below the viewer are two identical W-2 forms for the year 2020.

Copy B—To Be Filed With Employee's FEDERAL Tax Return			38-2099803 OMB No. 1545-0008		
a Employee's soc. sec. no. 900-00-0000	1 Wages, tips, other comp. 12,622.19	2 Federal income tax withheld 2109.59	a Employee's soc. sec. no. 900-00-0000	1 Wages, tips, other comp. 12,622.19	2 Federal income tax withheld 2109.59
b Employer ID number(EIN) 21-1234567	3 Social security wages 12,622.19	4 Social security tax withheld 782.58	b Employer ID number(EIN) 21-1234567	3 Social security wages 12,622.19	4 Social security tax withheld 782.58
c Employer's name, address, and ZIP code Optimum Solutions Inc. 210 25th Ave N Suite 700 Nashville TN 32703			c Employer's name, address, and ZIP code Optimum Solutions Inc. 210 25th Ave N Suite 700 Nashville TN 32703		
d Control number 1900			d Control number 1900		
e Employee's name, address, and ZIP code Kevin Alan 1800 Lascassas Notown TN 37129			e Employee's name, address, and ZIP code Kevin Alan 1800 Lascassas Notown TN 37129		
7 Social security tips	8 Allocated tips	9 Verification Code	7 Social security tips	8 Allocated tips	9 Verification Code
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12 C 22.19	10 Dependent care benefits	11 Nonqualified plans	12a Code C 22.19
13 Statutory employee	14 Other Family Leave 1803.06	12b Code	13 Statutory employee	14 Other Family Leave 1803.06	12b Code
Retirement plan		12c Code	Retirement plan		12c Code
Third-party sick pay		12d Code	Third-party sick pay		12d Code
15 State Employer's state ID number	16 State wages, tips, etc.	17 State income tax	15 State Employer's state ID number	16 State wages, tips, etc.	17 State income tax
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form W-2 Wage and Tax Statement 2020 Dept. of the Treasury - IRS
This information is being furnished to the Internal Revenue Service.

Did you know you can **export the W-2's** to a PDF for storage or to keep offsite?

Click the Export Icon at the far right side of the screen.

This is an example of a pre-printed W-2 Traditional 2UP form. We suggest that you print a few samples to hold against the form to make sure it lines up properly. If not, use the alignment tool described earlier.

145-89-6321			
98-7654321		16211.60	1025.45
Optimum Solutions, Inc.		16382.17	1015.69
210 25th Avenue N		16382.17	237.54
Suite 700			
Nashville	TN 37203		
58209			
Lila	I Brery		D 170.57
9744 8th St.		X	DD 550.00
		Dental	120.00
Evansville	IN 47785	Life In	105.00
IN 22-222222		16211.60	502.02

6. How many copies do I need?

- It will be necessary to print this file multiple times for every copy of W-2 2UP form needed.
 - Copy A – Employer copy for Social Security Administration (red copy) – not necessary if filing electronically.
 - Copy B – For Employee’s Tax Return
 - Copy C – Employee’s Record Copy
 - Copy D – Employer File Copy
 - Copy 1 – State, City or Local filed by Employer
 - Copy 2 – State, City or Local filed by Employee
- Be sure to order enough forms and envelopes for the sufficient amount of copies. Determine the # of copies needed by printing the W-2 Edit Form.

7. Re-Printing or Reissuing W-2s

- If you need to reissue a W-2 for an employee who has misplaced the original, you can reprint copies of the W-2. As described earlier, select just that employee’s name from the Work File, and follow the steps to print the W-2. Then use a stamp, or write on the form “Reissued Statement.” This is per IRS instructions for Forms W2-W3 - **Lost Form W-2—reissued statement**. If an employee loses a Form W-2, write “REISSUED STATEMENT” on the new copy and furnish it to the employee. You do not have to add “REISSUED STATEMENT” on Forms W-2 provided to employees electronically.

8. Test Envelopes

- Test your W-2 forms with the window envelopes. Make sure that the employees name and address appear correctly and line up with the windows.

Step 6: PUSH the W-2 file out to ESS. For customers using Suite Web’s ESS (Employee Self Service) and you want to provide the W-2 to the employee, you will need to **Push those to ESS.**

NOTE: There are IRS regulations regarding providing W-2s to employees in ESS such as obtaining a consent before publishing. Please refer to **Publication 15-A** in the www.irs.gov website for an updated list under the heading of “Furnishing Form W-2 to employees electronically. The following is copied from the 2020 publication:

Furnishing Form W-2 to employees electronically. You may set up a system to furnish Form W-2, Wage and Tax Statement, electronically. Each employee participating must consent (either electronically or by paper document) to receive his or her Form W-2 electronically, and you must notify the employee of all hardware and software requirements to receive the form. You may not send a Form W-2 electronically to any employee who does not consent or who has revoked consent previously provided. To furnish Forms W-2 electronically, you must meet the following **disclosure requirements** and provide a clear and conspicuous statement of each requirement to your employees.

- The employee must be in
 - **Furnishing Form W-2 to employees electronically.** You may set up a system to furnish Form W-2 electronically. Each employee must consent (either electronically or by paper document) to receive his or her Form W-2 electronically, and you must notify the employer of all hardware and software requirements to receive the form. You may not send a Form W-2 electronically to any employee who does not consent or who has revoked consent previously provided. To furnish Forms W-2 electronically, you must meet the following disclosure requirements and provide a clear and conspicuous statement of each requirement to your employees.
 - The employee must be informed that he or she will receive a paper Form W-2 if consent isn't given to receive it electronically.
 - The employee must be informed of the scope and duration of the consent.
 - The employee must be informed of any procedure for obtaining a paper copy of his or her Form W-2 and whether or not the request for a paper statement is treated as a withdrawal of his or her consent to receiving his or her Form W-2 electronically.
 - The employee must be notified about how to withdraw a consent and the effective date and manner by which the employer will revoke consent. The employee must also be notified that the withdrawn consent doesn't apply to the previously issued Forms W-2.
 - The employee must be informed about any conditions under which electronic Forms W-2 will no longer be furnished (for example, termination of employment).
 - The employee must be informed of any procedures for updating his or her contact information that enables the employer to provide electronic Forms W-2.

W-2 via ESS – Don’t Print [a paper W-2]

The check box on the Employee’s Federal screen titled “W2 via ESS – Don’t Print” determines if the employee will receive a printed W-2 form or will receive an Electronic W-2 in ESS.

Employees who opt for ESS W-2s will not receive a printed W-2. They will log into their ESS account to view and print their W-2.

If you have employees who have opted out of electronic W-2s, you’ll need to uncheck the box option on the Employee’s Federal screen titled “W2 via ESS – Don’t Print” If NOT checked, the employee will NOT see their W-2 in ESS and their W2 will print to paper in the W2 process. Thus, you will want this box checked for all employees, except those that do not give permission to upload their W2 to ESS. Contact your support rep for a script that will check the box for all employees, then you will manual visit each employees that doesn’t give permission.

PATH: Suite Navigation > Employees > Employees > Federal

The screenshot shows the 'Employee Functions' window with the 'Federal' tab selected. In the 'W2 Related Items' section, the checkbox for 'W2 via ESS - Don't Print' is checked and highlighted with a blue box. Other sections include 'I9 Status', 'Foreign Residents', 'Key Employee Items', and 'Military Service'.

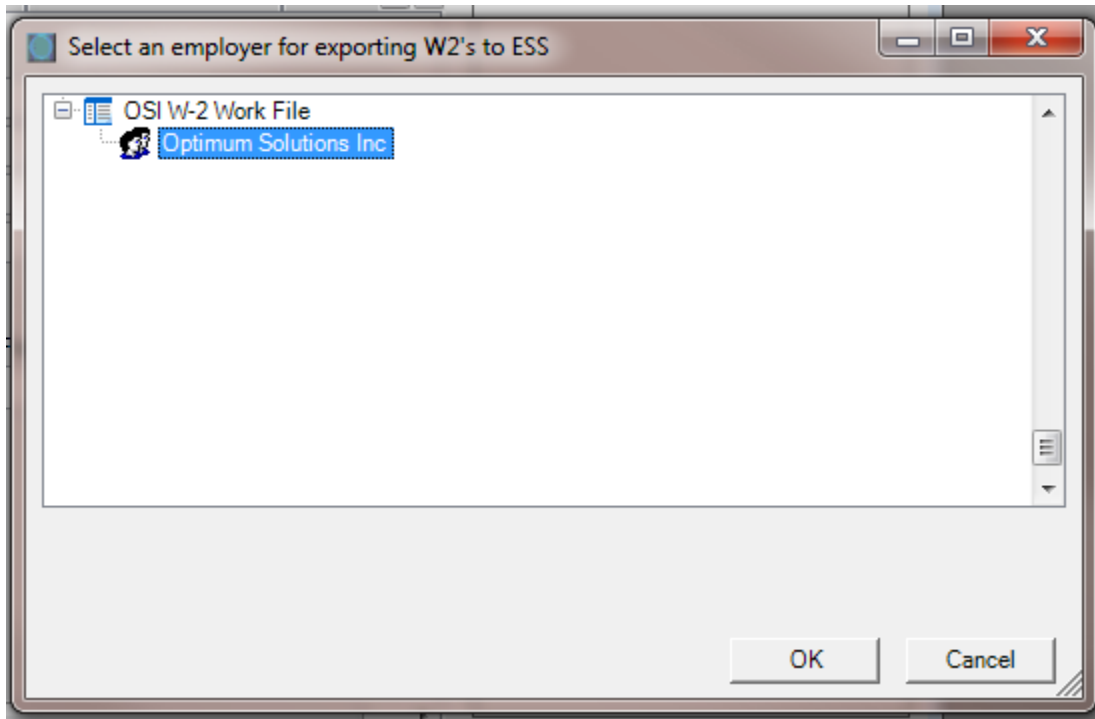
PATH: Suite Navigation > Government Reporting > W-2 > ESS

To Export the W-2 file to ESS, click the Export W-2's for ESS link.

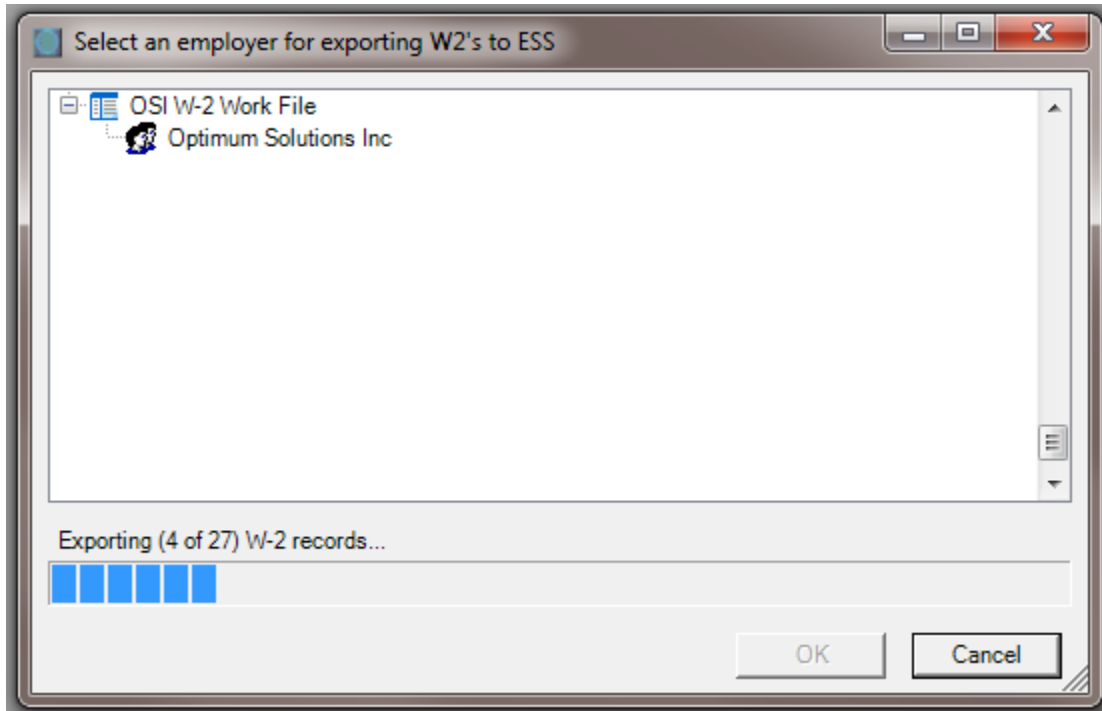
The screenshot shows the 'ESS W-2 Maintenance' window. The 'Suite Navigation' pane on the left shows 'Employees (18)' selected. The main window displays a table of employees with columns for Last Name, First Name, Middle, and SSN.

Last Name	First Name	Middle	SSN
Bookplate	Henry	I	29421212
Brery	Lila	I	14589632
Edges	Gilda	I	98567139
Edishin	Furst	K	01569369

Select the W-2 Work file and Employer.

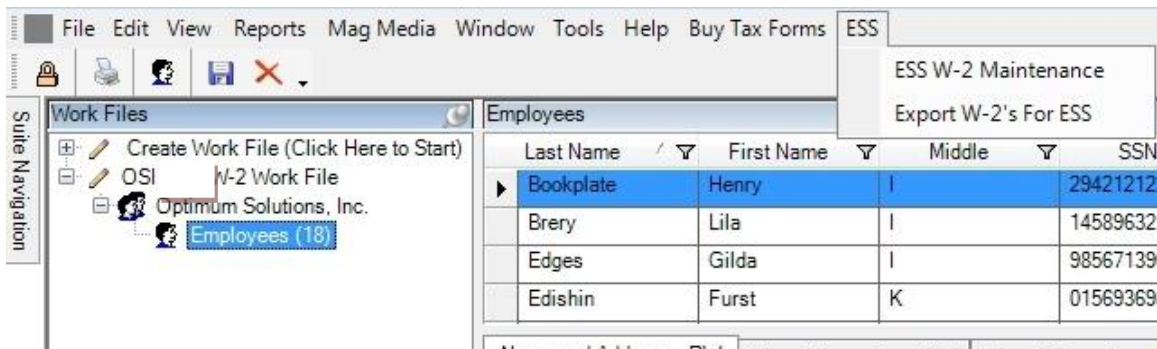


The records will begin exporting to ESS.

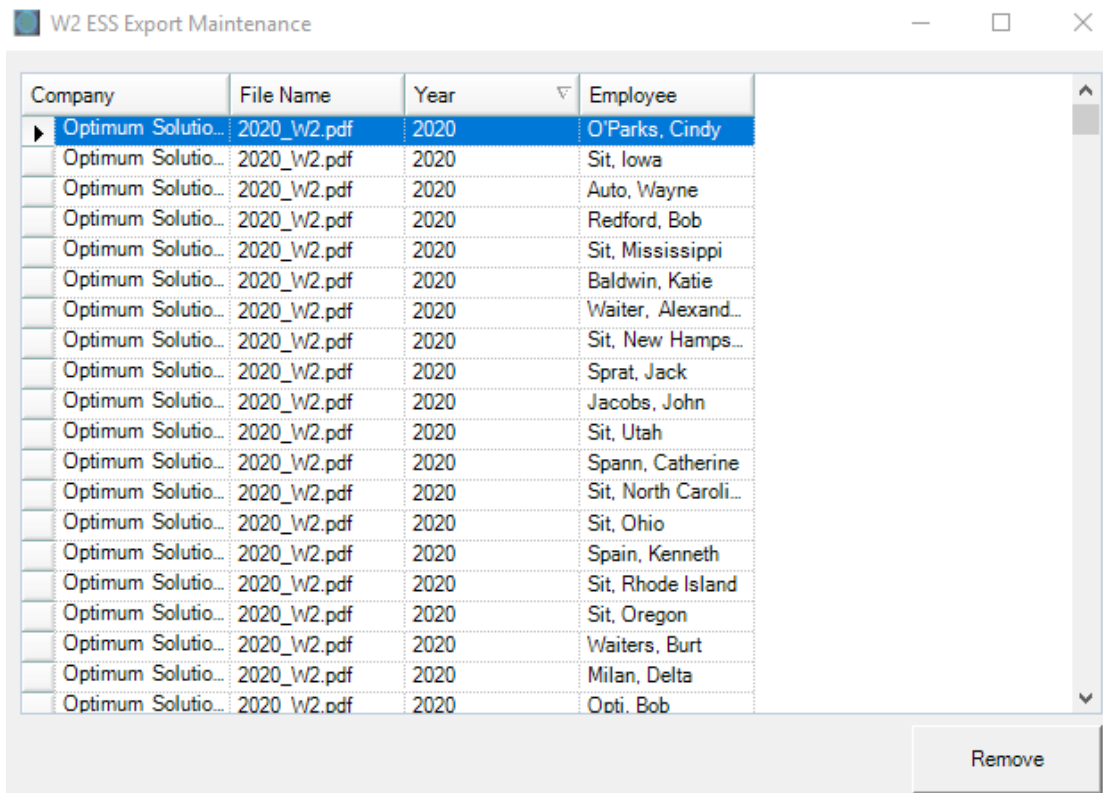


Important Note: If manually adding a W-2 for employees not in Suite, or who do not have wages such as retirees, the system will not push out the W-2 to ESS. You will get a message listing those employees at the end of the process.

After exporting the file out to ESS, you should review the list of employees in case some do not have an ESS account and/or have withdrawn their consent to publish. This will be done in ESS Maintenance.



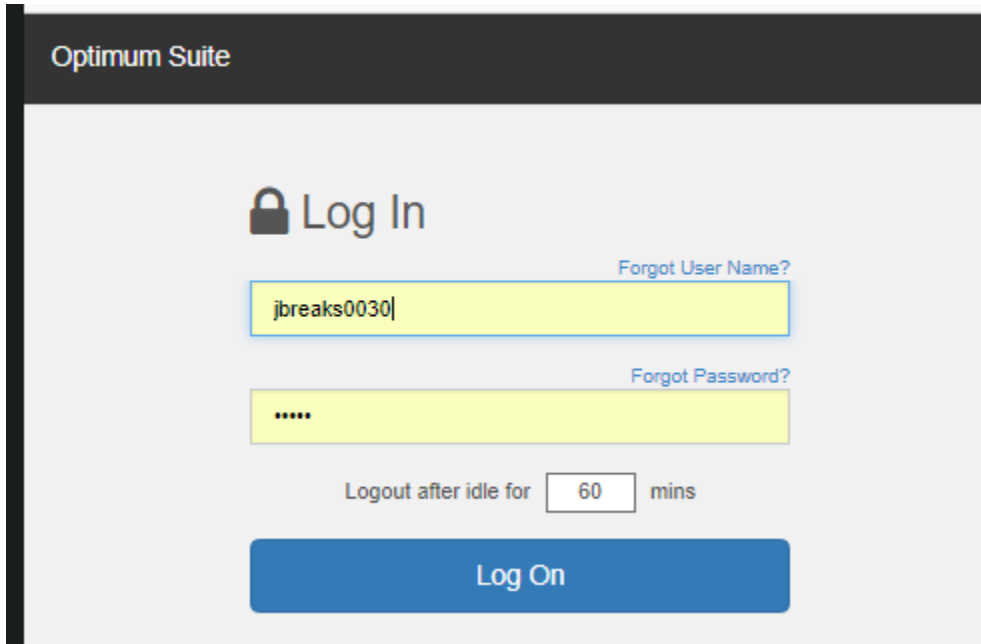
Clicking ESS W-2 Maintenance will display a form as shown below. Employees can be selected and removed. When removed, employees will no longer have access to their W-2 in Suite Web, and if the Federal Screen, “W2 via ESS – Don’t Print” is checked, they will not have a printed copy either. Notice that in the screen below that multiple years are showing. Again, refer the regulations above in that you would need to inform the employee if removing any prior year form access.



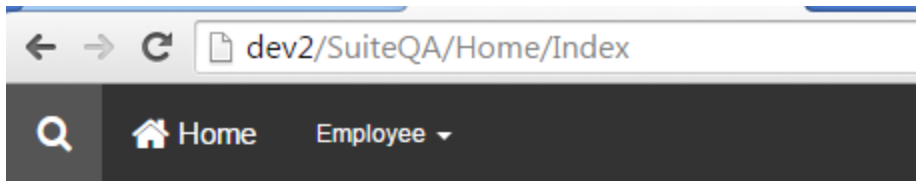
Questions from prior sessions:

- Q. If an employee is not registered for ESS, do you have to remove them from the upload list? A. Yes
- Q. How do we track who wants the W2 in ESS or Not? A. You need to get a signed form from all who want it and those that don't. Remove those that don't want the ESS W-2 from the ESS maintenance screen. (Also uncheck the box on the Employees Federal screen “W2 via ESS – Don't Print” as stated above).
- Q. Does the form need to be filled out every year? A. Yes.
- Q. What do you do if the employee wants a copy of the W2? A. You can recreate the W-2 Work File and print a copy for them, OR if you have saved the PDF when printing the W-2s, and checked the *Override – Print All W2's (Including ESS Employees)*, you can print the W2 from the PDF document.

To view the records, Login to Suite Web.



Click W2



Home

Employee

- My Account
- Personal Information
- Emergency Contacts
- Direct Deposits
- Tax Withholdings
- Hours Maintenance
- Check History
- Paid Time Off
- Pay Stub
- W2



Click the File Year

The screenshot shows a web application interface for 'W2 Reports'. At the top, there is a navigation bar with 'Home', 'Administration', 'Human Resources', 'Time/Attendance', 'Employee', and 'Reports'. The user is logged in as 'Optimum Solutions Inc.' with a 'Log Out' button. Below the navigation bar, the page title is 'W2 Reports'. There is a search bar and a 'Show 50 entries' dropdown. A 'File Year' filter is set to '2020', highlighted with a red arrow. At the bottom, it says 'Showing 1 to 1 of 1 entries' and has navigation buttons for page 1.

The W-2 will display.

Copy B—To Be Filed With Employee's FEDERAL Tax Return.		38-2099803 OMB No. 1545-0008
a Employee's soc. sec. no. 900-00-8989	1 Wages, tips, other comp. 8682.96	2 Federal income tax withheld 741.24
b Employer ID number(EIN) 21-1234567	3 Social security wages 9144.48	4 Social security tax withheld 566.96
c Employer's name, address, and ZIP code Optimum Solutions Inc. 210 25th Ave N Suite 700 Nashville TN 32703	5 Medicare wages and tips 9144.48	6 Medicare tax withheld 132.59
d Control number 0600	e Employee's name, address, and ZIP code Dawn G. Spann 123 main Notown TN 37280	
7 Social security tips	8 Allocated tips	9 Verification Code
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12 DD 240.00
13 Statutory employee	14 Other	12b Code D 461.52
Retirement plan X		12c Code
Third-party sick pay		12d Code
15 State Employer's state ID number	16 State wages, tips, etc.	17 State income tax
18 Local wages, tips, etc.	19 Local income tax	20 Locality name
Form W-2 Wage and Tax Statement 2020 Dept. of the Treasury – IRS This information is being furnished to the Internal Revenue Service.		

Copy 2—To Be Filed With Employee's State, City, or Local Income Tax Return.		38-2099803 OMB No. 1545-0008
a Employee's soc. sec. no. 900-00-8989	1 Wages, tips, other comp. 8682.96	2 Federal income tax withheld 741.24
b Employer ID number(EIN) 21-1234567	3 Social security wages 9144.48	4 Social security tax withheld 566.96
c Employer's name, address, and ZIP code Optimum Solutions Inc. 210 25th Ave N Suite 700 Nashville TN 32703	5 Medicare wages and tips 9144.48	6 Medicare tax withheld 132.59
d Control number 0600	e Employee's name, address, and ZIP code Dawn G. Spann 123 main Notown TN 37280	
7 Social security tips	8 Allocated tips	9 Verification Code
10 Dependent care benefits	11 Nonqualified plans	12a Code DD 240.00
13 Statutory employee	14 Other	12b Code D 461.52
Retirement plan X		12c Code
Third-party sick pay		12d Code
15 State Employer's state ID number	16 State wages, tips, etc.	17 State income tax
18 Local wages, tips, etc.	19 Local income tax	20 Locality name
Form W-2 Wage and Tax Statement 2020 Dept. of the Treasury – IRS		

If you hover the mouse over the lower right portion of the screen, the print/save panel will appear.

Step 7: Filing W-2s is simple with Optimum Suite. There are 2 ways to file your W-2s with the government. You can **mail in paper copies** for each employee, OR you can **E-File, file electronically** using an EFW2 file. *These rules are constantly changing. Check your state for current requirements.*

- Employers with 250 employees must report W-2 wages to the Social Security Administration using the **E-File** EFW2 format.
- Employers with fewer than 250 employees are encouraged to report using EFW2, but they will not be penalized for filing paper copies.

You should retain a copy of the data you send to SSA for a minimum of four years in case you should need to recreate it. With Optimum Suite, you can recreate the W-2 Work File from History anytime. If you make changes to the Work File (outside of what is in Optimum history), then you should save the Work File by locking it.

If you file EFW2 data, DO NOT file paper W-2 forms containing the same data.

Refer to the instructions offered by the SSA for further filing information.

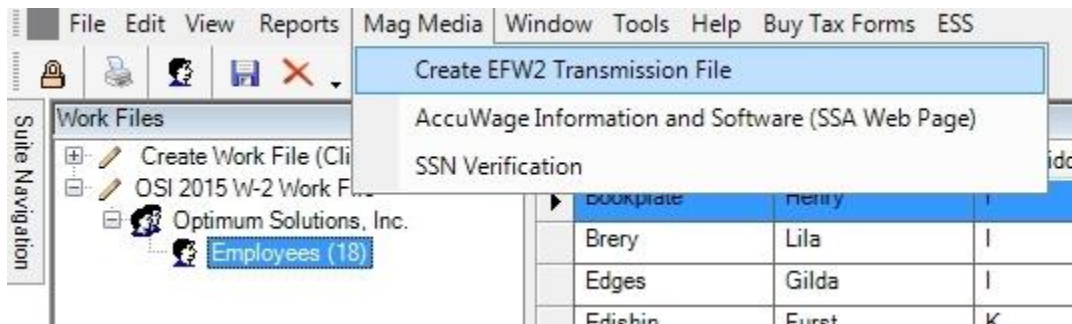
<https://www.ssa.gov/employer/>

Filing W-2s Electronically with EFW2

PATH: Suite Navigation > Government Reporting > **W-2**

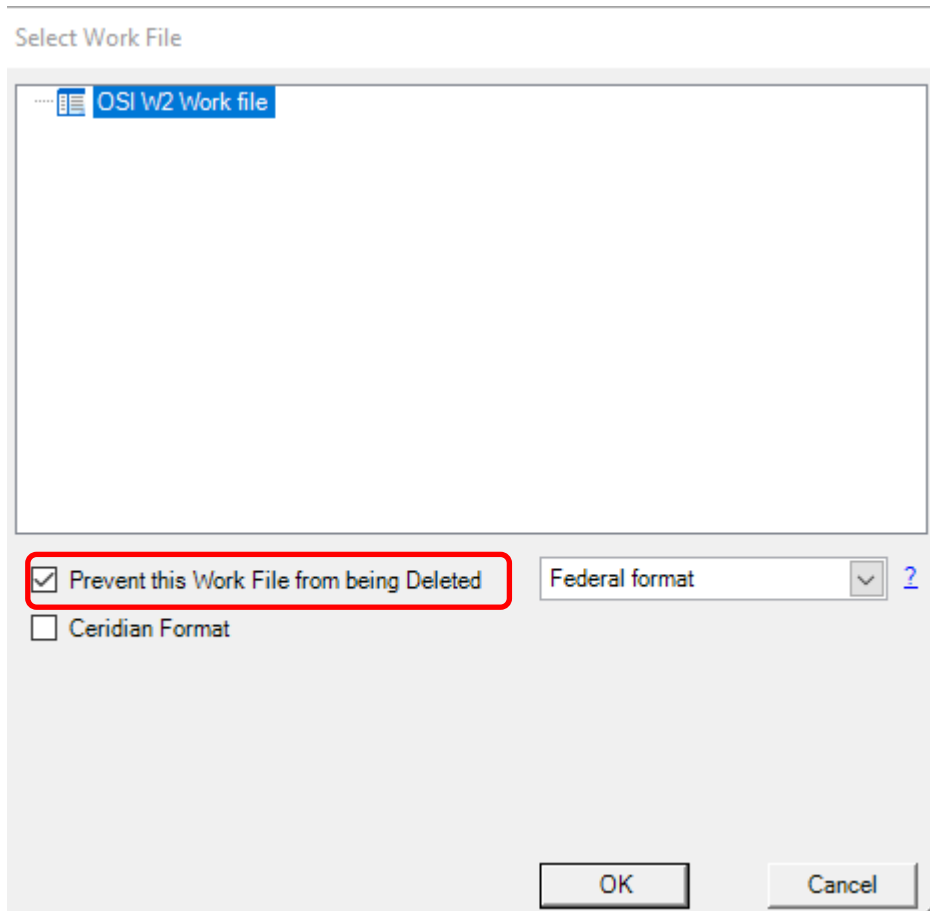
1. Click on “Mag Media” from the Menu Bar

- Choose Create EFW2 Transmission File



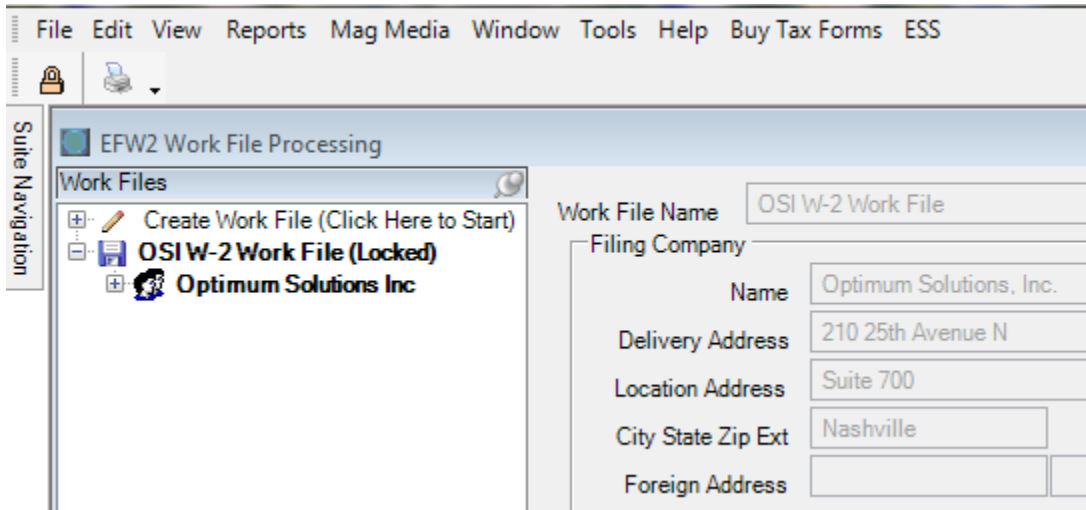
2. Select your Work File

- Select Federal Format in the drop down box.
 - *Note that if your state appears in the drop down, you prepare your state electronic file in this same manner.*
 - *Note about State and Local electronic filing:*
 - *If your state does not appear in the list, then you will submit the federal format to the state.*
 - *If the local does not accept the state/federal format, select the local dropdown from the list.*
- You can lock the file in order to keep it from being deleted accidentally. Check the box next to “Prevent this Work File from being Deleted” When a file is locked, you cannot edit either. To unlock it, you will have to create the file again.
- Click OK

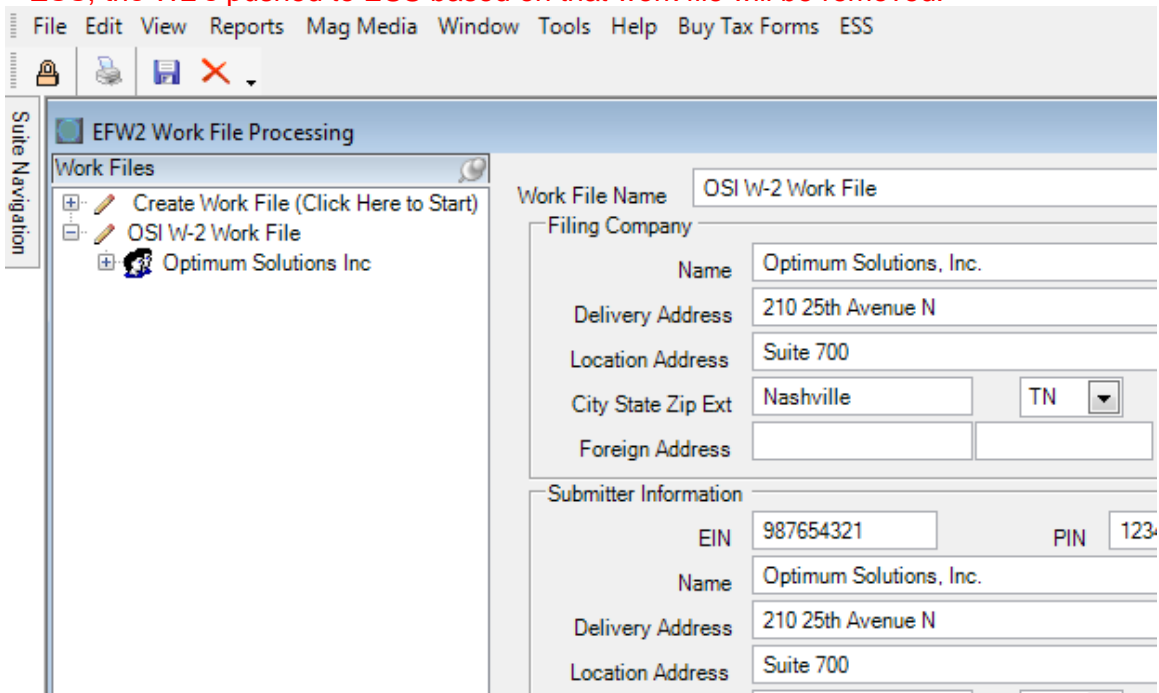


5. Once the EFW2 has been generated and saved, you will see these screens for editing.

- This screen gives the Work file information and can be edited, if necessary. *Note that if the area is “grayed out”, it is locked because you selected to “prevent the work file from being deleted.” If you need to edit, create the EFW2 file and do not lock it.*



- This view shows the file unlocked. **Warning – If you delete a W2 Work file, and have ESS, the W2's pushed to ESS based on that work file will be removed.**



- Clicking on the Company Name shows the Company Information.

- Expand the Company Name and then click on Employees. This shows the Work File Information for each employee as it appears in the EFW2 file.
- Changes can be made if necessary by clicking on the appropriate tab containing the information you wish to edit. *Note that any changes here will only be saved in the Work File and not in Optimum History.*

Last Name	First Name	Middle	SSN
Baldwin	Katie	A.	900001112
Ball	Kathy	B.	900004231
Breaks	Joan	S.	900002223
Cat	Shelia		900002222

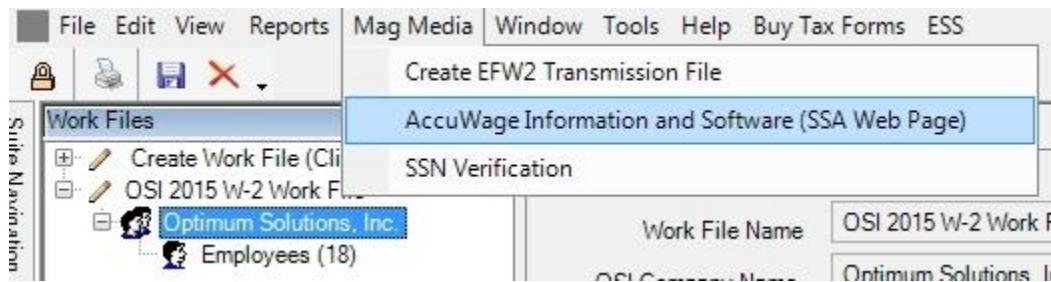
There is also an **EFW2 Truncated Data Report** that shows all employees that have addresses that were truncated in the EFW2 file. *This is a custom report for a specific customer. It doesn't matter if the address is truncated to the IRS.*

Step 8: Verify Data and Format of the EFW2 File

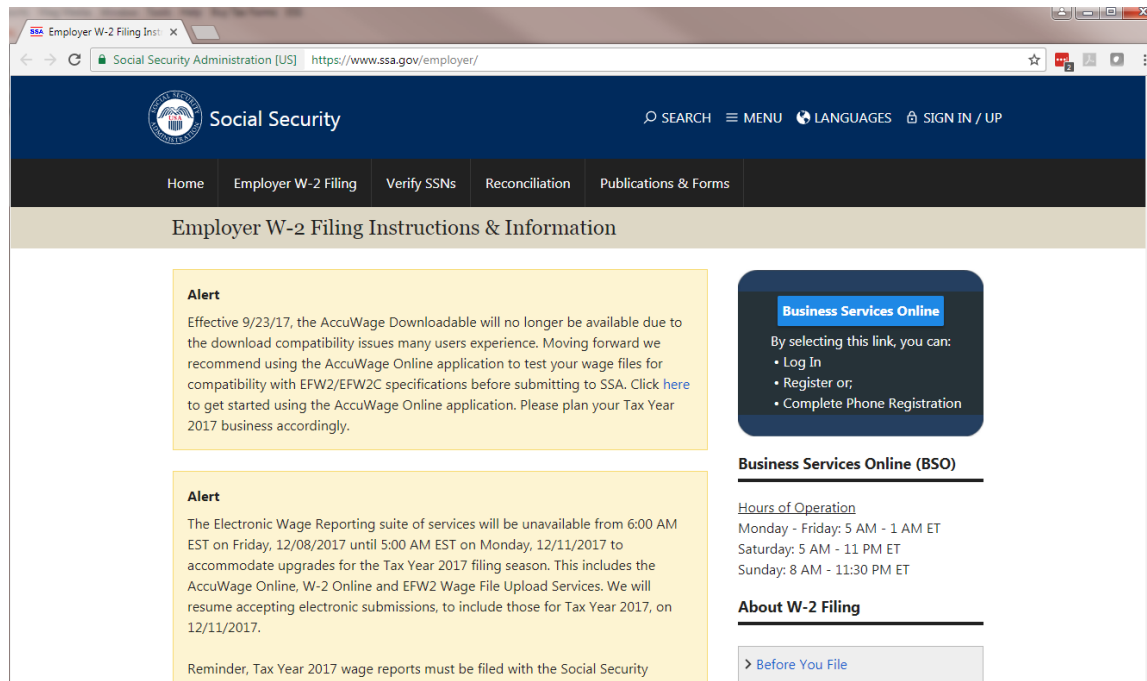
1. Before filing the EFW2 with the government, you’ll need to test it with AccuWage. AccuWage is no longer be a download program due to compatibility issues. Instead AccuWage Online is available.

You will run the EFW2 file you created through a program that will test the file for you and extract any errors you may need to correct.

- You can link to the website by clicking on “Mag Media” on the W-2 Work File Menu and clicking AccuWage Information and Software (SSA Web page)



3. AccuWage Online 2020 is available at <https://www.ssa.gov/employer/>



3. You will need to log In to the Business Services Online to run AccuWage Online using your specific login and password. Refer to the AccuWage Online Help Guide for further steps in testing your file.

Submitting your File to the Social Security Administration

Submitting your file will require logging into the SSA Business Services Online website and uploading the file from your computer.

You must first obtain a PIN/PASSWORD from the Social Security Administration before submitting your file. Go to www.ssa.gov/bsa to register.

If you received a PIN last year, you may use that PIN indefinitely, as long as you change your password every 90 days. This PDF provides some helpful documentation including what to do if you forgot your password.

<https://www.ssa.gov/employer/bsoregug.pdf>

Step 9: Filing W-2s by Mail

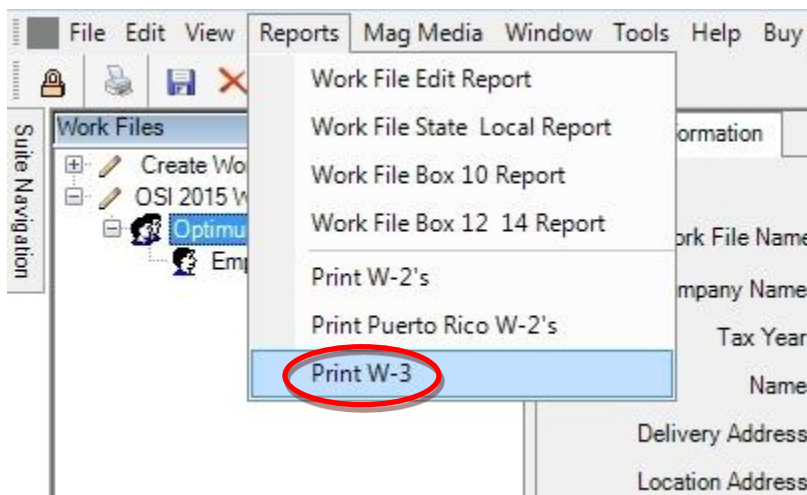
Filing paper W-2s and the W-3 may not be completely old fashioned. If you have fewer than 250 employees, it may be easier for you. However, you are encouraged to file electronically if you can. *These rules are constantly changing so check the IRS guidelines and your state for current requirements.*

Printing a **W-3 Transmittal form** for filing paper copies with the IRS is pretty simple.. *Note: this is not needed if filing electronically.*

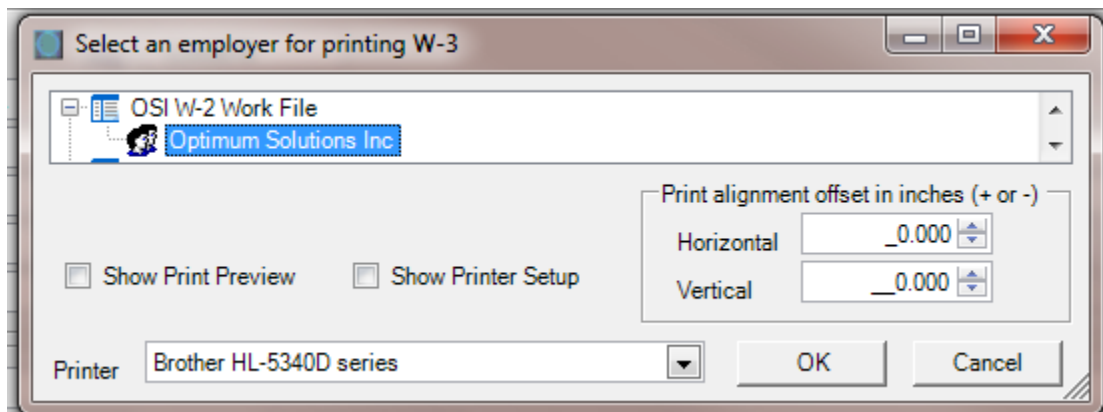
PATH: Suite Navigation > Government Reporting > **W-2**

1. Click on “Reports” from the Menu Bar

- Choose Print W-3’s



2. Select your company name, check “Show Print Preview” and click OK



3. The print preview will show you the W-3 to be printed on the **RED Federal copy** of the W-3.

Note that you do not need to order the W-3 form from www.Taxformsusa.com.

Several W-3 forms will be included with your order complimentary.

- Click Print

18		681560.72	76584.15
	98-7654321	706988.57	43833.32
Optimum Solutions Inc		706988.57	10251.32
210 25th Avenue North		0.00	0.00
Nashville	TN 37203		380.00
		0.00	27517.01
X			
681624.72	24474.66	319152.97	1559.55
Charles Bookkeeper		615 555 1212	

This example is of a completed W-3 Transmittal form.

DO NOT STAPLE

33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer (Check one)		Kind of Employer (Check one)		Third-party sick pay (Check if applicable)	
<input type="checkbox"/> 941 Military <input type="checkbox"/> 943 Hshld. emp. <input type="checkbox"/> 944 Medicare govt. emp.		<input type="checkbox"/> None apply <input type="checkbox"/> State/local non-501c <input type="checkbox"/> State/local 501c <input type="checkbox"/> 501c non-govt. <input type="checkbox"/> Federal govt.		<input type="checkbox"/>	
c Total number of Forms W-2 18		d Establishment number		1 Wages, tips, other compensation 681560.72	
e Employer identification number (EIN) 98-7654321		3 Social security wages 706988.57		2 Federal income tax withheld 76584.15	
f Employer's name Optimum Solutions Inc		5 Medicare wages and tips 706988.57		4 Social security tax withheld 43833.32	
210 25th Avenue North		7 Social security tips 0.00		6 Medicare tax withheld 10251.32	
Nashville TN 37203		9		8 Allocated tips 0.00	
g Employer's address and ZIP code		11 Nonqualified plans 0.00		10 Dependent care benefits 380.00	
h Other EIN used this year		12a Deferred compensation 27517.01		12b	
15 State X Employer's state ID number		13 For third-party sick pay use only		14 Income tax withheld by payer of third-party sick pay	
16 State wages, tips, etc. 681624.72		17 State income tax 24474.66		18 Local wages, tips, etc. 319152.97	
19 Local income tax 1559.55		Employer's telephone number 615 555 1212		For Official Use Only	
Employer's name Charles Bookkeeper		Employer's fax number		Employer's email address	

Under penalties of perjury, I declare that I have examined this return and accompanying documents and, to the best of my knowledge and belief, they are true, correct, and complete.

Signature _____ Title _____ Date _____

Form W-3 Transmittal of Wage and Tax Statements 38-2099803 Department of the Treasury Internal Revenue Service

Send this entire page with the entire Copy A page of Form(s) W-2 to the Social Security Administration (SSA). Photocopies are not acceptable. Do not send Form W-3 if you filed electronically with the SSA. Do not send any payment (cash, checks, money orders, etc.) with Forms W-2 and W-3.

Reminder

Separate instructions. See the 2016 General Instructions for Forms W-2 and W-3 for information on completing this form. Do not file Form W-3 for Form(s) W-2 that were submitted electronically to the SSA.

Purpose of Form

A Form W-3 Transmittal is completed only when paper Copy A of Form(s) W-2, Wage and Tax Statement, is being filed. Do not file Form W-3 alone. All paper forms **must** comply with IRS standards and be machine readable. Photocopies are **not** acceptable. Use a Form W-3 even if only one paper Form W-2 is being filed. Make sure both the Form W-3 and Form(s) W-2 show the correct tax year and Employer Identification Number (EIN). Make a copy of this form and keep it with Copy D (For Employer) of Form(s) W-2 for your records. The IRS recommends retaining copies of these forms for four years.

E-Filing

The SSA strongly suggests employers report Form W-3 and Forms W-2 Copy A electronically instead of on paper. The SSA provides two free e-filing options on its Business Services Online (BSO) website:

- **W-2 Online.** Use fill-in forms to create, save, print, and submit up to 50 Forms W-2 at a time to the SSA.
- **File Upload.** Upload wage files to the SSA you have created using payroll or tax software that formats the files according to the SSA's *Specifications for Filing Forms W-2 Electronically (EFW2)*.

W-2 Online fill-in forms or file uploads will be on time if submitted by **January 31, 2017**. For more information, go to www.socialsecurity.gov/employer. First time filers, select "Go to Register"; returning filers select "Go To Log In."

When To File

Mail Form W-3 with Copy A of Form(s) W-2 by **January 31, 2017**.

Where To File Paper Forms

Send this entire page with the entire Copy A page of Form(s) W-2 to:

**Social Security Administration
Data Operations Center
Wilkes-Barre, PA 18769-0001**

Note: If you use "Certified Mail" to file, change the ZIP code to "18769-0002." If you use an IRS-approved private delivery service, add "ATTN: W-2 Process, 1150 E. Mountain Dr." to the address and change the ZIP code to "18702-7997." See Publication 15 (Circular E), Employer's Tax Guide, for a list of IRS-approved private delivery services.

BW3 NTF 2580100

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

This completes the W-2 Filing section of the Year End Processing Guide.

Other Resources

Optimum HRIS – www.optimumhris.com

Optimum Customer Support – <http://support.optimum-solutions.com>

Current Year End Payroll and Tax Updates - <https://support.optimum-solutions.com/windows-suite-year-end-processing/> --look for this document link below the video link.

American Payroll Association - www.americanpayroll.org

Social Security Administration - www.ssa.gov/employer

<http://www.ssa.gov/employer/ssnv.htm>

Social Security AccuWage - <http://www.ssa.gov/employer/accuwage/>

SSA BSO and register - www.socialsecurity.gov/bsowelcome.htm.

Employer Reporting Assistance - <http://www.ssa.gov/employer/empcontacts.htm>

BSO Technical Assistance - www.socialsecurity.gov/bsowelcome.htm

Telephone: 1-888-772-2970, Fax: 1-410-597-0237

E-mail – bso.support@ssa.gov

General Information - For information about Social Security programs and benefits

1-800-772-1213 (toll free)

Monday - Friday

7:00 a.m. to 7:00 p.m. Eastern time

For TDD/TTY, call 1-800-325-0778 (toll free)

Internal Revenue Service - www.irs.gov or www.irs.ustreas.gov

Tax Forms – www.taxformsusa.com

Affordable Care Act – <http://www.irs.gov/Affordable-Care-Act/Employers>

IRS Tax Calendar for Businesses and Self-Employed -

<https://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/IRS-Tax-Calendar-for-Businesses-and-Self-Employed>

Additional W2-W3 Information

<https://www.irs.gov/pub/irs-pdf/fw2.pdf>