# PenSoft® NEWS

In observance of Memorial Day, PenSoft will be closed Monday, May 25th.

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## PenSoft Announces Employee Tracker™

### An Affordable Solution for Managing and Reporting Human Resource Tasks

Over the years PenSoft customers have asked for a simple and affordable solution for human resource management. Although there are numerous applications on the market, many are too complex and costly. Early in 2008 PenSoft focused its programming resources on developing a solution and Employee Tracker was born.

Employee Tracker is a management tool designed to organize and maintain employee information. It tracks and maintains a history of benefit eligibility, employee training and/or certification, compliance reporting, compensation, performance reviews, disciplinary actions, employee assigned property, and manages electronic documents such as the I-9 and EEOC-1. Employee Tracker provides easy-to-use user definable reports and reduces the paperwork associated with employee and benefits management.

### Benefits

- Affordable
- Improved Efficiency
- Increased Accuracy
- Employee Satisfaction

Employee Tracker can be setup as a stand alone solution or integrated with PenSoft Payroll. Because of this, it appeals to current PenSoft customers and opens the door for Employee Tracker users to convert their payroll to PenSoft Payroll at any time.

### Stop Struggling!

Due to the rapid growth and/or turnover of many small to medium-size businesses, they find they are constantly hiring new employees and struggling to keep up with the paperwork. Stop struggling! Reduce the administrative and reporting burden with Employee Tracker. We encourage you to see the benefits first hand. Visit **www.pensoft.com/employeetracker.asp** to download a **FREE** trial version of Employee Tracker.

We are proud of our customer service oriented philosophy so you can expect the same quality of support as you have experienced with PenSoft Payroll. All registered users will continue to enjoy free unlimited program support for all our products. If you should have questions after installing the Employee Tracker trial, e-mail Program Support at **support@pensoft.com** or call 757-873-1199.

## Direct Deposit Cost Comparison

Are you taking FULL advantage of your PenSoft Payroll features? If you are using the Professional Edition or higher you could be offering your customers and clients the ease of direct deposit.

Direct deposit is affordable and costs less than paper checks. Most payroll software offers a direct deposit solution because it increases productivity, decreases printing, postage and storage costs.

So what sets PenSoft apart from our competitors? *Our customer service and price.* Just look at the comparison on page 2 between our direct deposit prices and three of our competitors.

Our online service, designed for small to medium sized businesses and payroll processors, makes direct deposit easy and affordable. PenSoft has partnered to offer a secure, convenient, and reliable direct deposit service.

### Start Saving Money TODAY

To sign up for direct deposit for your company visit **www.pensoft.com/directdeposit_indiv.asp** and download the forms required.

If you are a payroll processor, visit **www.pensoft.com/directdeposit_multi.asp** to download the forms required to process payroll for your clients and employees.

## President's Corner

Leroy Newman
*President & CEO*

After the smoothest conversion year ever, we are well into 2009. Even with the late IRS release of the final 2008 employment forms we were able to complete all our production and shipping before the end of December.

### PenSoft Employee Tracker™

In response to customers' requests, we have developed an easy to use solution for maintaining employee histories. Integrated with PenSoft Payroll this application will track everything from employee salaries, appraisals, increases, promotions, and benefits to education, training and assigned company equipment. Currently in Beta testing we expect to make this product available to our customers in the very near future.

### PenSoft Users' Forum

Several customers have asked us to develop a users' forum where they could pose questions and see how other PenSoft Payroll users handled similar situations. We are happy to announce the establishment of such a forum. Stay tuned for additional information.

### Program Support Surveys

We thank those who took the time from their busy schedule to complete our survey offering valuable feedback for our support team. This survey has shown us where we are doing well and a few places where we can improve.

### Electronic Payroll Tax Form Submissions

Our electronic processing of Forms 941 and 940 this past quarter far exceeded our expectations and was very successful. The few minor issues have all been resolved. The convenience of electronically filing these forms in PenSoft Payroll really increases efficiency for everyone. If you haven't tried this process I encourage you to do so this quarter and see for yourself how easy it is.

### New Employee

We welcome Patty Guy in our Program Support Department. She brings with her a wealth of payroll and customer service experience.

## Direct Deposit Comparison Chart

Below is an example comparison of what the annual cost for direct deposit can be between providers. The example shows the cost for processing payroll for 20 employees each with a single deposit on a semi-monthly basis for 24 pay periods.

| Service Items | PenSoft® | QuickBooks®* | Peachtree™* | Timberline®* |
|---|---|---|---|---|
| ACH Application - One time fee | $50.00 | $0.00 | $50.00 | $25.00 |
| Monthly Settlement | 72.00 ($6.00 each) | $0.00 | $0.00 | $179.40 ($14.95 each) |
| Per File Fee | $24.00 ($1.00 each) | $0.00 | $0.00 | $0.00 |
| Live Transaction Item Fee | $96.00 ($0.20 each) | $475.20 ($0.99 each) | $336.00** (Range $0.70 to $1.60 each) | $72.00 ($0.15 each) |
| 1st Year Total | $242.00 | $475.20 | $386.00** | $276.40 |
| After 1st Year Total Each Year | $192.00 | $475.20 | $336.00** | $251.40 |

*Information published on respected websites as of November 5, 2008

**Range is $0.70 to $1.60 per transaction. For comparison purposes $0.70 was used, therefore actual cost is likely higher.

QuickBooks, Peachtree, and Timberline are trademarks or registered trademarks of their respective companies.

Prices are subject to change.

# Q&A

**Q.** Is there a feature in PenSoft Payroll to remove most of the bank account number on a plain paper summary?

**A.** The option to show only the last four digits of a bank account number on a plain paper summary can be found by selecting the plain paper summary Options button in the Checks window.

**Q.** Can I electronically file my form 941 and 940 through PenSoft?

**A.** Yes. Once the initial registration process has been completed with the IRS, users will fax or e-mail the signed contract to PenSoft to begin using the E-File program. PenSoft customers can get started by visiting **www.pensoft.com/webservice.asp**

**Q.** If I get a new computer and need to transfer PenSoft Payroll, can I just copy the payroll 2009 folder to the new computer?

**A.** Simply moving the Payroll 2009 folder will not transfer the full program. Reinstallation from a CD or downloading the full version from the website is required.

**Q.** Leave has been incorrectly entered on an employee's payroll record. How do I change this?

**A.** To adjust leave amounts entered on a payroll record, the payroll record itself must be modified. Changes should only be made to the leave section in the bottom half of the payroll data entry window. Click OK to save changes.

# e-IWO - The Way to Go!

By Kathy Miller

OCSE

*Kathy Miller is a Communications Specialist with the Office of Child Support Enforcement. In child support enforcement, the electronic income withholding order (e-IWO) is the quickest, easiest and most efficient method to ensure regular child support payments are made to the children and families who rely on them. Learn how employers can benefit with this system.*

How can your State increase collections and save money? The answer is: e-IWO It's the way to go! States participating in the electronic Income Withholding Order (e-IWO) project have the ability to send income withholding orders (IWOs) to employers electronically and for employers to electronically notify States regarding the status of IWOs, including terminations and lump sum payments.

The e-IWO project is extremely successful. States using e-IWO realized increased collections and on average receive the first two payment three weeks earlier than using paper IWO. States also save $1 per document (cost of postage, paper, processing time, and printing) for each IWO sent to an employer electronically rather than on paper. Several large employers are participating in the e-IWO project, including the Defense Finance and Accounting Service (DFAS), US Postal Service, and Meijer Corporation. OCSE is working with more than 50 large employers, including ADP, Waste Management, and Verizon, that are in various stages of implementing e-IWO. OCSE is also working with several of the largest payroll software companies to integrate the e-IWO application into their products.

With the addition of many large employers to the project, States will realize substantial collections and savings. Communication between States and employers is also improved. Imagine receiving notification immediately whether the IWO was or was not accepted. No more waiting weeks to see if the IWO will result in collections. Say good-bye to time-consuming follow-up with the employer to determine what happened to that paper IWO.

## And It Gets Better With a Portal

Although States and employers have been exchanging e-IWOs through various transmission methods for several years, the recent implementation of a centralized internet portal enables States, Tribes, Territories and employers to easily and securely exchange e-IWO files.

The Portal's success is attributed to providing a communication solution that works well for both States and employers by:

- Using the same transmission methodology as CSENet;
- Using encryption to ensure that files are secure;
- Receiving State and employer files, and rebatching and delivering them to the correct State or employer (States and employers only communicate with the Portal); and
- Enabling States and employers to choose either a flat file or XML schema format. (The Portal will transform the e-IWO file to the preferred format designated by the State or employer.)

Additional information, including the Software Interface Specification (SIS) document, may be found at **www.acf.hhs.gov/programs/cse/newhire/employer/eiwo/eiwo_sis_qc.htm**

The SIS contains background information, as well as technical documentation for e-IWO. You may also contact Bill Stuart at william.k.stuart@lmco.com for information on joining the e-IWO project.

# Quarterly Reconciliation Webinar

Quarterly reconciliation is the cornerstone of a solid payroll foundation. Detailed reports, spreadsheets, and good old fashioned mathematics allow payroll professionals to ensure balance in the payroll system. PenSoft Payroll takes most of the work out of a good reconciliation process with pre-defined reports, along with the ability to send many reports to file, allowing users to open them as spreadsheets for greater flexibility. In addition, if a refresher course on the basic process of reconciliation is necessary, PenSoft has just what the payroll doctor ordered.

PenSoft users can sign up for a comprehensive Webinar geared toward the basics of reconciliation. Trainers will explain step by step, the purpose, value, and effectiveness of reconciling. Follow along in PenSoft Payroll as various taxability scenarios are explained, examples are provided, and demonstrations are executed. The PenSoft Quarterly Reconciliation seminar hosted via the internet is an approved course for 2 CPE credits for Enrolled Agents.

The Webinar will be held at 2:00 pm Eastern time on the following dates:

March 17
March 19
March 24
March 26
March 31
April 2
April 7
April 9

Space is limited, and seats fill up quickly. Visit **www.pensoft.com** or give our sales department a call at 888-PENSOFT (888-736-7638) to register. The best value in payroll software also provides the best value in reconciliation for a complete, comprehensive payroll package!!

## Read This BEFORE You Generate Your Quarterly Reports

Prior to running your quarterly reports, verify you have the latest software quarterly update installed.

If you are a CD update customer you will receive the quarterly update on CD shipped to you via UPS Second Day Air.

If you are a download customer you will receive an e-mail from Program Support informing you when the quarterly update is available to download.

We highly recommend you regularly check our update site at **www.pensoft.com/updates.asp** to ensure you have the latest version at all times.

## Tips

### State Unemployment

State unemployment tax rates are entered as a percent in the state setup. If the taxing agency lists the rate as a multiplier, move the decimal two places to the left before entering into PenSoft Payroll.

### Tax Deposits

All tax deposits must be recorded in the software even if tax payment checks are not printed through PenSoft. This information is required in order to correctly reflect the deposits on some federal and state forms in PenSoft Payroll. It is also used as a tracking tool to maintain a record of deposits made.

### Tax Configuration

Changing the tax configuration of an income, tax or deduction does not change the configuration in previous payrolls. The previous payrolls must be deleted and re-entered to reflect the current tax configuration in the employee setup.

### Form 941 Instructions

PenSoft follows the IRS instructions for completing Form 941. These instructions are available on the IRS website **www.irs.gov**. If line 10 of the 941 is equal to or less than $2500.00, PenSoft will not print the monthly liabilities on line 15 or semi-weekly liabilities on the Schedule B.