PenSoft® NEWS

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Fall 2016

In observance of Labor Day, PenSoft will be closed Monday, September 5th.

In observance of Thanksgiving Day, PenSoft will be closed Thursday & Friday, November 24th & 25th.

PenSoft® PAYROLL SOLUTIONS

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Surviving A Dreaded Department of Labor Audit

The last thing employers want to receive is a letter from the Department of Labor (DOL) informing them of a pending audit.

All too often employers will put the letter to the side and fail to make preparing for the audit a priority. There is a very small window of opportunity from the receipt of the letter to when the DOL agent will be arriving at your office.

Department of Labor Audit
How to Prepare

In light of recent changes in the Fair Labor Standards Act, there is speculation the DOL will be increasing their compliance and enforcement efforts in the coming years. The change in the white collar status rules will have a far-reaching impact on employers. It has been reported employers across the United States will have a considerable increase in their overtime costs and expanded record keeping requirements for certain employees. But more importantly, time is running out to update employees' status or change their salaries to be in compliance for the December 1, 2016 effective date.

Preparing for the Audit

Many organizations will initiate a self-audit to identify possible areas of non-compliance and begin the process of correction. It is recommended to seek professional advice and document the changes identified. Proceed with caution when "modifying" or "changing" historical information. Computer forensics can easily uncover activity you thought was deleted.

Locate a private area for the investigator to work and if possible, a separate office to reduce the office chatter. It is important to cooperate with the audit and work towards compliance with wage and hour laws.

PenSoft Program Support

Customer service is one of the most important functions of our business. Every member of our support team goes through a rigourous training process before they begin taking support calls on their own, which means they have a deep understanding of PenSoft Payroll, and their highest priority is to help you. Program Support is available to all our registered users.

Coming Soon!
Expanded Support Options!

What are we doing to expand our customer service in Program Support?

Self-Help Videos

Are you a visual learner? Soon you can watch in-depth videos providing step-by-step instructions on common PenSoft Payroll user issues. Need to review a step? No problem! Just rewind and go over it as many times as you need.

Expanded Online Knowledge Database

Quickly find answers to your most pressing questions all in one place! Easily search based on topic or search the database using specific search terms. Improve your payroll processing efficiency by receiving support at any time day or night!

Remote Support Solution

Our Program Support consultants can provide remote assistance securely to any remote computer. They can access and diagnose issues you are having within PenSoft Payroll. A Program Consultant will send an invitation you must accept before they are able to remotely access your computer.

President's Corner

Leroy Newman
President & CEO

We trust you have had a good summer and time with your family and friends. With schools out for the summer many employees took their family vacations. PenSoft was no exception, but school is back in session and most families are back to their normal routine.

PenSoft Payroll Hosted Solution

The PenSoft Payroll Hosted Solution has been in full operation for nearly a year now and is performing flawlessly. Many PenSoft customers have migrated from the desktop software to this solution because it solves several user problems:

- It allows user access from any computer with an internet connection so the user isn't tied to the "office computer" to process payroll.
- The user doesn't have to maintain the computer and infrastructure for the software.
- Software tax changes are automatically updated by PenSoft so the user never has to worry about whether they have the latest version installed.
- Use is billed monthly spreading your cost over 12 months versus buying the software for the entire year all at once.

The Hosted Solution is identical to the desktop software with access being the only exception. Instead of logging into an application residing on your computer, you log into the cloud to access PenSoft Payroll. Once logged in the look and feel is identical to what you are using today on your computer.

2017 PenSoft Payroll

The 2017 PenSoft Payroll software will be essentially identical to 2016. We expect this to be a very smooth transition year because it will be the same program with tax calculation and reporting updates. When you are ready to purchase your 2017 program consider switching to the Hosted Solution for the benefits described above.

Visit **www.pensoft.com/hostedpayroll/benefits.aspx** for more information on PenSoft Payroll Hosted Solution.

2016 Payroll Tax Forms

Include your 2016 payroll tax form order with your 2017 software order to ensure you have them for your year-end filing. Visit **www.pensoft.com/taxforms/taxforms.aspx** to order your forms online!

IRS COMMITMENT TO EXCELLENCE AWARD

We are happy to announce Stephanie Salavejus, PenSoft VP & COO, was presented the IRS Commitment to Excellence Award "In Recognition and Appreciation For Your Service As ETAAC Member 2015-2016" for her exceptional service and invaluable contributions as a member of the IRS Electronic Tax Administration Advisory Committee (ETAAC).

Stephanie's outstanding participation helped provide an organized public forum for discussion of a wide range of electronic services and issues between the IRS and representatives of the public. Her industry experience with electronic filing provided the IRS with new direction in the Annual Report to Congress. The recommendations provided by the ETAAC are a testament to her commitment to electronic tax administration.

Congratulations Stephanie for a job well done!

Employees

Reshaud Anthony, with prior Program Support experience at PenSoft and knowledge of PenSoft Payroll, returned to PenSoft to fill a new training position following a personal sabbatical. His responsibilities include training new Program Support Consultants and developing tools to help customers learn and effectively use PenSoft Payroll. Welcome Reshaud!

James Chandler, Programmer, recently joined PenSoft. He came to us with several years of commercial programming experience and will be a valuable addition to the programming staff as they develop an updated version of an internal software program as well as future external programs. Welcome James!

How To Address Your Company's Top Priority

Today's professional is extremely busy and in a fast-paced business environment, downtime is unacceptable. For this reason, backup and recovery should be your **company's top priority.**

The scope of **disaster recovery** should address small downtime outages in addition to major downtime, even an hour of downtime can have a major impact on productivity, reputation, and customer satisfaction.

Even if you're among organizations who diligently perform backups at regular intervals, unexpected interruptions can result in data loss if you didn't **store backups off-site**.

PenSoft Payroll desktop subscribers should consider **off-site storage** options for securing data and include in the disaster recovery plan outline for hardware and software access.

PenSoft Payroll Hosted Solution subscribers have a **built-in safety net** for disaster recovery protection. In the event of a "disaster" with the hardware and software requirements managed by the host, clients only need to gain access to a system with internet access to be back up and running payroll.

Q. I just purchased a new computer. Can I copy the program and then paste it on the new computer?

A. No, but it is simple to install PenSoft Payroll on a new computer. First, go to **www.pensoft.com/customers/softwareupdates.aspx** to download the latest full update, you will need your customer number and password to login. Once it is installed, enter the key code and reference number, register the software, and then create the common database. Make a backup of the data on the old computer and then restore the backup to the new computer.

Q. Are there any new hire reports already setup in PenSoft Payroll?

A. Yes! PenSoft Payroll offers a large number of pre-defined new hire reports. To locate the reports:

- Click Reports on the toolbar.
- Click Personnel Reports button.
- Click the desired category: Personnel Setup Reports, Management Reports, Government Forms, New Hire Reports, and General Personnel Reports.

Q. I am trying to add a new employee, but the add button is grayed out. How can I add a new employee?

A. If your add button is grayed out you have entered in the maximum number of employees allowed by the software level you purchased. To add new employees you will need to upgrade your employee level to a higher one. Please call our Sales Department at 888-PENSOFT to upgrade.

Q. I just completed an annual performance review for an employee and would like to record a raise date. Can I enter this information in PenSoft Payroll?

A. Yes you can! To enter the last pay raise date:

- Click Personnel on the toolbar.
- Highlight the desired personnel.
- Click Setup.
- Click Pay History in the Payroll Setup section.
- Click Add to enter the raise date information.

Q. Previously I was able to double click in the hours field for employees and have a time calculator appear but I cannot get it to work in this year's software. How do I access the time calculator?

A. The ability to access the time calculator was updated in the 2016 PenSoft Payroll.

The short-cut key to access to the time calculator is pressing the Shift and T keys when the focus is in the hours field.

Year-End Webinars

Another school year is upon us, and it is a reminder that year-end reporting is fast approaching, and it is that time when PenSoft offers year-end webinars.

PenSoft Payroll is a robust tool for processing payroll, but checks and balances are needed to avoid errors in tax returning filings and being penalized by the IRS.

The PenSoft Year-End Webinar provides an overview of year-end processes and recommended practices to ensure nothing gets missed, and you're in compliance. Preparation for year-end occurs throughout the year and the fourth quarter is the anchor leg of payroll processing that includes the final reconciliation of payrolls and filing federal and state returns. The year-end checklist is important to ensure that no part of year-end compliance gets overlooked.

Join our experienced Program Consultants as they tour through fringe benefits, supplemental payments, reconciliation, and year-end reporting. We will outline the process for completing and filing W-2 forms for your employees, and a look at the changes in the new year.

Agenda

- Best Practices for a Smooth Year-End
- Fringe Benefits Taxation/Reporting
- Supplemental Payrolls
- Year-End Reconciliation
- Year-End Tax Reporting
- Tax Laws & Legislative Update

PenSoft is an American Payroll Association (APA) approved provider, and this webinar qualifies for 1 Recertification Credit Hour (RCH) for one year from the original broadcast date. To earn the RCH credit, you must listen to the entire 60-minute webinar. The webinar schedule is 2pm Eastern time on the following dates:

- November 10
- November 15
- November 17
- November 22
- November 29
- December 01
- December 06

Space is limited, and seats fill up quickly. To sign up, call 888-PENSOFT (888-736-7638). Each phone connection is $99.00. The best value in payroll software also provides the best value in reconciliation for a complete, comprehensive payroll package!

Audit, continued from page 1

Communication with Key Stakeholders

Set guidelines for key stakeholders as to proper procedure if an investigator makes a visit. The guidelines should provide clear instructions for responding to the investigators requests and questions. Good manners can go a long way.

Documents Request

Ensure all required personnel and record keeping information is available and easily accessible. It is not recommended to provide an investigator with free access to all employment records because this can result in the discovery of additional violations. It is also important to have records within the record retention periods.

Communication

Clear and honest communication with the investigator is imperative. Wage and Hour investigators have broad authority. Not cooperating or attempting to avoid the investigator will not delay the investigation and can create the appearance of attempting to "hide" information.

Employee Interviews

Investigators have the authority to interview employees about their job duties, hours worked, and details about payment methods. Employee interviews are confidential, and employers are not entitled to copies of the employee statements. Employers can schedule interviews based on the schedule of an employee's availability.

Pay close attention to the integration of supporting systems like time and attendance solutions. If the data does not agree between the systems, solid documentation is needed to explain the reason for the discrepancy and if there is a system error, outline the process for a system update.

There will be instances where information needs to be corrected. Establish a policy and procedure for correcting the errors, including detailed explanations for changes to an employee's hours. Many organizations require changes be initiated by managers and employees to provide transparency regarding the correction. Investigators will compare employee documents to the information in the reports and request explanation for discrepancies. The notes section in PenSoft Payroll provides a useful tool to categorize notes for easy retrieval.

PenSoft Payroll is designed to support the management of your workforce from hiring to retiring and even the unpleasant event of firing. The collection of information in the life cycle of personnel is considerable and having organized information that is quickly accessible is extremely important. Leveraging the tools and features in PenSoft Payroll can help organizations be efficient in responding to a DOL audit.

PenSoft invites you to attend a no-cost seminar, "Let's Chat – Tools, Tips & Tricks to Using PenSoft Payroll on August 24th at 2pm Eastern time. Participants will receive a bonus handout "Five High-Profile Violations – Department of Labor Audits".

Registration is limited so register early. **https://attendee.gotowebinar.com/register/5788228707593157379**

Contact Information

Verify we have your correct contact information. Included with your newsletter is a mailing sheet with all your contact information. Please take a moment to verify this information is correct prior to December! If it is not, make the changes directly on the sheet, sign next to "Authorized Signature", and fax to 757-873-1733.

DON'T FORGET!

Prepaid 2017 orders ship UPS NDAS on December 19th. RENEW TODAY! 2016 tax forms will ship on or before November 14th.