

## Pay Employees

The Review and Create Paychecks window is used to record payroll checks to employees. After entering information and creating employee paychecks, the following has occurred:

| Transactions  | DR | CR | Subsidiary Records Updated | General Ledger Updated |
|---|----|----|----------------------------|------------------------|
| Salary and Wages Expense                                  | \$ |    | ✓                          | ✓                      |
| Payroll Tax Expense (Employer Portion)                    | \$ |    |                            | ✓                      |
| Payroll Tax Withholdings<br>and Other Employee Reductions |    | \$ | ✓                          | ✓                      |
| Payroll Tax Liabilities (Employer Portion)                |    | \$ |                            | ✓                      |
| Cash  |    | \$ |                            | ✓                      |

### Quick Reference Table

| Step     | Box or Other Location                         | Procedure  |
|----------|---|--|
| <b>A</b> | Home Page                                     | Click the Pay Employees icon under Employees.  |
| <b>B</b> | Start Unscheduled Payroll button              | Select the Payroll tab and click Start Unscheduled Payroll to open the Enter Payroll Information window.   |
| <b>C</b> | Pay Period Ends                               | Verify the date entered or change.   |
| <b>D</b> | Check Date                                    | Verify check date or change.   |
| <b>E</b> | Handwrite & Assign check numbers radio button | Click the radio button if it is not already selected. Note that you will not be printing checks in this project, so you need to select the manual check option. <i>QuickBooks</i> will record the effects of the paychecks, but you will not have to print them. |
| <b>F</b> | First Check # box                             | Accept the default check number or change.   |
| <b>G</b> | Check All button                              | Click the Check All button to select all employees. <i>Note:</i> If you are only paying one employee, click only on that employee's line, which will place a check mark next to the employee's name.   |
| <b>H</b> | Regular Pay and Overtime hours boxes          | Enter the regular pay hours and overtime hours for each hourly employee in the window.   |
| <b>I</b> | Continue button                               | Click the Continue button to open the Review and Create Paychecks window.  |
| <b>J</b> | Open Paycheck Detail button                   | Click the Open Paycheck Detail button to open the Preview Paycheck window for the first employee.  |
| <b>K</b> | Preview Paycheck window                       | Review the information entered under Earnings and other payroll items. Accept the default information or edit the rate, hours, etc. Click Save & Next.   |

(table continued on the following page)

## Quick Reference Table *(continued)*

| Step | Box or Other Location              | Procedure  |
|------|------------------------------------|--|
| L    | Preview Paycheck window            | Repeat step K for all remaining employees. When you have reviewed the last employee's paycheck, click Save & Close instead of Save & Next. This reopens the Review and Create Paychecks window.  |
| M    | Review and Create Paychecks window | Verify that all entered information is correct. If correct, click the Create Paychecks button. If there are errors, correct them in this window or use the Open Paycheck Detail button to open the Preview Paycheck Detail window and correct the information. |
| N    | Confirmation and Next Steps window | Click Close. Note that in this project you will not be printing paychecks, so there is no need to select the Print Paychecks button.   |

## Pay Employees QuickBooks windows



The screenshot shows the 'My Payroll Service' interface. The 'Create Paychecks' window is open, displaying a table with the following data:

| PROCESS PAYROLL BY | STATUS     | PAYROLL SCHEDULE | PAY PERIOD              | CHECK DATE |
|--------------------|------------|------------------|-------------------------|------------|
| 12/15/2021         | > 6 Months | Semimonthly      | 12/01/2021 - 12/15/2021 | 12/15/2021 |

Below the table, there are buttons for 'After-the-Fact Payroll', 'Start Unscheduled Payroll', and 'Start Scheduled Payroll'. A red circle 'B' is positioned over the 'Create Paychecks' button.

At the bottom of the window, there are sections for 'Quick Guides', 'Other Activities', 'Reports', and 'Supplies & Services'.

*(windows continued on the following page)*

## Reference—Payroll Cycle and Other Activities

# Pay Employees

## QuickBooks windows (continued)

**Enter Payroll Information**

1 Enter Payroll Information → 2 Review & Create Paychecks → 3 Print & Distribute Paychecks

How do I pay my employees?

**PAYROLL INFORMATION**

PAY PERIOD ENDS: 02/15/2021  
 CHECK DATE: 12/15/2021  
 BANK ACCOUNT: 10100 - Cash-General...  
 BANK ACCOUNT BALANCE: 23,390.07

**CHECK OPTIONS**

Print paychecks on check stock  
 Handwrite & Assign check numbers

First Check#: 514

| EMPLOYEE            | REGULAR PAY | OVERTIME | SALARY | TOTAL HOURS |
|---------------------|-------------|----------|--------|-------------|
| Jennifer M Brownell | 80.00       |          |        | 80.00       |
| Kenneth J Jorgensen | 80.00       |          |        | 80.00       |
| Mark C Phelps       | 80.00       |          |        | 80.00       |

Finish Later Continue

**Review and Create Paychecks**

1 Enter Payroll Information → 2 Review & Create Paychecks → 3 Print & Distribute Paychecks

How do I pay my employees?

**PAYROLL INFORMATION**

PAY PERIOD ENDS: 02/15/2021  
 CHECK DATE: 02/15/2021  
 BANK ACCOUNT: 10100 - Cash-General...  
 BANK ACCOUNT BALANCE: 23,390.07

**CHECK OPTIONS**

Print paychecks on check stock  
 Handwrite & Assign check numbers

First Check#: 514

| Employee            | Gross Pay | Taxes     | Deductions | Net Pay  | Employer Taxes | Contributions | Total Hours | Direct Dep. |
|---------------------|-----------|-----------|------------|----------|----------------|---------------|-------------|-------------|
| Jennifer M Brownell | 3,100.00  | -578.73   | 0.00       | 2,521.27 | 317.55         | 0.00          |             |             |
| Kenneth J Jorgensen | 1,900.25  | -280.56   | 0.00       | 1,619.69 | 208.09         | 0.00          | 84.15       |             |
| Mark C Phelps       | 1,251.25  | -222.59   | 0.00       | 1,028.66 | 137.03         | 0.00          | 86.15       |             |
|                     | 6,251.50  | -1,081.88 | 0.00       | 5,169.62 | 662.67         | 0.00          | 170.30      |             |

< Back Finish Later Create Paychecks

(windows continued on the following page)

# Pay Employees

QuickBooks windows (continued)

**K**  
**L**

Preview Paycheck

Jennifer M Brownell

PAY PERIOD 02/01/2021 - 02/15/2021

Use Direct Deposit CLASS

**Earnings**

| ITEM NAME                | RATE     | HOURS | WC CODE | CUSTOMER:JOB |
|--------------------------|----------|-------|---------|--------------|
| Salary                   | 3,100.00 |       |         |              |
| TOTALS 3,100.00 0:00 hrs |          |       |         |              |

SICK AVAILABLE 64:00  
VACATION AVAIL 80:00  
SICK ACCRUED  
VAC. ACCRUED 0:00  
 Do not accrue sick/vac

**Other Payroll Items**

| ITEM NAME | RATE | QUANTITY |
|-----------|------|----------|
|           |      |          |

**Employee Summary** How are these items calculated?

| ITEM NAME                  | AMOUNT   | YTD      |
|----------------------------|----------|----------|
| Salary                     | 3,100.00 | 9,300.00 |
| Medicare Employee Addl Tax | 0.00     | 0.00     |
| OH - School District       | 0.00     | 0.00     |
| Federal Withholding        | -253.00  | -759.00  |
| Social Security Employee   | -192.20  | -576.60  |
| Medicare Employee          | -44.95   | -134.85  |
| OH - Withholding           | -88.58   | -265.74  |
| Check Amount:              | 2,521.27 |          |

**Company Summary** How are these items calculated?

| ITEM NAME               | AMOUNT | YTD    |
|-------------------------|--------|--------|
| Social Security Company | 192.20 | 576.60 |
| Medicare Company        | 44.95  | 134.85 |
| Federal Unemployment    | 4.80   | 42.00  |
| OH - Unemployment       | 75.60  | 243.00 |

Save & Previous **K** Save & Next **L** Save & Close Cancel Help  Enter net/Calculate gross

Confirmation and Next Steps

1 Enter Payroll Information → 2 Review & Create Paychecks → 3 Print & Distribute Paychecks

You have successfully created 3 paychecks:  
3 handwritten checks 0 for direct deposit [Learn more](#)

**Next step:**

Print your paychecks/stubs, and distribute to employees.

**N** Close