

PAY EMPLOYEES

OVERVIEW

Several windows are used to process and record payroll: Payroll Transaction Entry, Build Payroll Checks, Calculate Payroll Checks, Print Payroll Checks, and Post Payroll Checks. Because there are several steps involved in the payroll entry process, the windows shown in the examples have sample information entered to help you perform the required steps accurately. After all payroll windows are completed and posted, the employee records are updated. Later, when the transaction is posted to the general ledger, wages and salaries expense and employer's FICA tax expense are debited and cash and payroll withholding liabilities are credited.

QUICK REFERENCE TABLE

Step	Box or Other Location	Procedure
A	Navigation Pane buttons	Click <i>HR & Payroll</i> → <i>Transactions</i> → <i>Transaction Entry</i> .
B	Batch ID	Select the Batch ID.
C	Pay Period From and To	Type the beginning and ending pay period dates.
D	Days Worked/Weeks Worked	Type the number of days or weeks worked during the pay period.
E	Employee ID	Select the Employee ID (hourly employees only).
F	Code	Select the pay code.
G	Amount	Enter the number of regular or overtime hours worked.
H	Next blank Employee ID box	Move the cursor to the next blank Employee ID box.
I	Various	Repeat steps E through H for the selected employee's overtime hours, if applicable.
J	Various	Repeat steps E through I for all remaining hourly employees.
K	Close button	Close the Payroll Transaction Entry window, then click Print and OK.
L	Navigation Pane buttons	Click <i>HR & Payroll</i> → <i>Transactions</i> → <i>Build Checks</i> .
M	Pay Period Date From and To	Type the beginning and ending pay period dates.
N	Include Pay Periods	Click the pay period type to be included in the pay run.
O	Salary check box	Click the Salary check box.
P	Select Batches button	Click the Select Batches button, click the appropriate Status box in the Payroll Check Batches window (<i>not shown</i>), and click OK.
Q	Build button	Click the Build button, then click OK in Report Destination window (<i>not shown</i>).

(table continued on the following page)

QUICK REFERENCE TABLE *(continued)*

Step	Box or Other Location	Procedure
R	Navigation Pane buttons	Click <i>HR & Payroll</i> → <i>Transactions</i> → <i>Calculate Checks</i> .
S	OK button	Click the OK button and then click the Cancel button.
T	Navigation Pane buttons	Click <i>HR & Payroll</i> → <i>Transactions</i> → <i>Print Checks</i> .
U	Print drop-down list box	Select Checks in Print drop-down list box.
V	Starting Check Number	Review the default starting check number and change if necessary.
W	Check Date	Review the check date and change if necessary.
X	Print button	Click the Print button.
Y	Report Destination window <i>(not shown)</i>	Print the paychecks to the screen. After all checks are printed on the screen, close the Screen Output window.
Z	Process button	Click the Process button.

HINTS FOR PROCESSING PAYROLL

1. There are several windows used in processing payroll. Close each window after you have completed all requirements for the window.
2. Do not enter salaried employees in the Payroll Transaction Entry window. *Microsoft Dynamics GP* automatically processes payroll for salaried employees when you click the Salary check box in the Build Payroll Checks window (step O).
3. You may need to delete a transaction line in the Payroll Transaction Entry window before the final processing of a transaction. Do so by placing the cursor on the line you want deleted. Select the Delete Row option from the Edit menu on the top of the screen and click Delete after the screen prompt.
4. You will need to add a batch in processing payroll transactions if there is no batch date included in the Payroll Batch IDs window. This might happen if you discover an error and have to delete a batch before starting over again. To add a Batch ID, do the following:
 - ▶ Click *HR & Payroll* → *Transactions* → *Batches*.
 - ▶ Enter the batch date in the Batch ID box. For example, type [123117] for the December 31, 2017, pay date.
 - ▶ Select Computer Checks in the Origin drop-down list box.
 - ▶ Click Save and close the window.

Payroll Transaction Entry Window **A** *HR & Payroll* → *Transactions* → *Transaction Entry*

Payroll Transaction Entry K

New Batch Delete Batch Print Print Help Add Note

Actions File Help

Batch ID: PAYROLL BATCH 4 **B**

Transaction Defaults
 Pay Period From: 04/09/17 **C** Days Worked: 0.00 **D**
 To: 04/15/17 **C** Weeks Worked: 0.00 **D**

Data Entry Options
 Current Options: No Options Options...

View: Transactions; by Order Entered

TRX #	Employee ID	Employee Name	Trx Type	Code	Dept	Amount	Pay Rate
749	BARB0001 E	Barbariol, Angela	Pay Code	HOUR F	INST	40.00 G	\$0.

I **J**

Date From: 04/09/2017 **I** Position: TEC
 Date To: 04/15/2017 **J** State: IN
 Days Worked: 0.00 Local:
 Weeks Worked: 0.00 SUTA State: IN
 Workers' Comp: INWC01

Shift: Premium \$0.00
 Total Rate: \$0.00

Previous **H** Next

Batch: PAYROLL BATCH 4 1 Employee, 1 Transaction

Build Payroll Checks Window **L** *HR & Payroll* → *Transactions* → *Build Checks*

Build Payroll Checks X

Q Build Cancel Remove Print Help Add Note

Actions File Help

User ID: ws46.003 Build Date: Build Time: 12:00:00 AM

Default ID: Description:

Type of Pay Run: Regular Pay Advance Pay

Pay Run Ranges
 Pay Period Date: **M** From: 04/09/2017 To: 04/15/2017
 Employee Class: All From: To:
 Employee ID: All From: To:

N Include Pay Periods: Weekly Biweekly Semimonthly Monthly
 Quarterly Semiannually Annually Daily/Misc.

O Include Automatic Pay Types: Salary Pension Earned Income Credit

For This Pay Period
 Days Worked: 0.00 Weeks Worked: 0.00

Include Pay Codes Include Deductions Include Benefits **P** Select Batches

Calculate Payroll Checks Window R

HR & Payroll → Transactions → Calculate Checks

Print Payroll Checks Window T

HR & Payroll → Transactions → Print Checks

Post Payroll Checks Window

DETAILED INSTRUCTIONS

A. Click **HR & Payroll** → **Transactions** → **Transaction Entry**

- ▶ Click **HR & Payroll** → **Transactions** → **Transaction Entry** to access the Payroll Transaction Entry window.

B. Select the **Batch ID**

Payroll transactions are entered in batches rather than on a transaction-by-transaction basis. Many companies create all batches needed for a fiscal year at the beginning of the year to save setup time. For this project, individual batches have already been created for you. All you need to do is to select the appropriate batch.

- ▶ Use the **Batch ID lookup** button to select the **Batch ID** that corresponds to the pay period you are processing. If a **Batch ID** is not found, you can enter one and create a new batch.

C. Type the **beginning and ending pay period dates**

The default date in the **Pay Period From** and **To** boxes is the user date. You will need to type the proper beginning and ending pay period dates.

- ▶ Type the beginning and ending pay period dates in the **Pay Period From** and **To** boxes.

D. Type the **number of days or weeks worked during the pay period**

The **Days Worked** and **Weeks Worked** boxes are used to enter the total number of days or weeks in the pay period. The choice of which box to use depends on the type of pay period you are entering. The **Days Worked** box is used to enter the number of days in a semi-monthly or monthly pay period. The **Weeks Worked** box is used for weekly and bi-weekly pay periods.

- ▶ Type the number of days or weeks worked in either the **Days Worked** or **Weeks Worked** box. Be sure to enter the proper number, considering the decimal point. For example, to enter 11 days in the **Days Worked** box, type [11.00].

E. Select the **Employee ID (hourly employees only)**

The **Payroll Transaction Entry** window is used to enter regular and overtime hours for all hourly employees. Salaried employees are automatically included in the pay run and do not require any information to be entered in this window.

- ▶ Use the **Employee ID lookup** button to select an hourly employee.

F. Select the **pay code**

The **Code** box is used to select the type of hours being entered: regular or overtime. For each employee, regular hours are entered first and then overtime hours are entered as a separate line in the window.

- ▶ Use the Code box lookup button to select the pay code for the employee's regular or overtime hours. **Note:** Be sure that you are in the Code box for this step and not the Trx Type box.

G. Enter the number of regular or overtime hours worked

- ▶ Enter the total number of regular or overtime hours worked, either by accepting the default number or typing the correct number. Be sure to use the decimal point appropriately. For example, type [88.00] for 88 hours worked.

H. Move the cursor to the next blank Employee ID box

- ▶ Move to the next blank Employee ID box.

I. Repeat steps E through H for the selected employee's overtime hours, if applicable

If the selected employee has overtime hours for the pay period, you need to enter the Employee ID and other information as a separate line item.

- ▶ If the selected employee has overtime hours for the pay period, repeat steps E through H to enter the overtime information.

J. Repeat steps E through I for all remaining hourly employees

- ▶ Continue entering regular and overtime information for each hourly employee to be included in the pay run.

K. Close the Payroll Transaction Entry window, then click Print and OK

- ▶ After the last hourly employee's regular and overtime information is entered, close the Payroll Transaction Entry window.

After closing the window, a message appears asking if you want to print a Payroll Transaction Audit report.

- ▶ Click **Print** and then make any necessary adjustments in the Report Destination window to print the report to the screen. Review the information in the report for completeness and accuracy. If you find an error, return to the Payroll Transaction Entry window, select the Batch ID you just entered, and make the necessary corrections.

L. Click *HR & Payroll* → *Transactions* → *Build Checks*

The next step in the payroll process is to build payroll checks from the information you entered in the Payroll Transaction Entry window.

- ▶ Click *HR & Payroll* → *Transactions* → *Build Checks* to access the Build Payroll Checks window.

M. Type the beginning and ending pay period dates

- ▶ *Type the beginning and ending pay period dates in the Pay Period Date From and To boxes.*

N. Click the pay period type to be included in the pay run

In the lower-left portion of the Build Payroll Checks window, there are eight check boxes, each corresponding to a specific pay period type. For example, if a company pays employees twice per month, the pay period is “Semimonthly.”

- ▶ *Click the check box next to the type of pay period the company uses for its employees.*

O. Click the Salary check box

As stated in step E, salaried employees are automatically included in a pay run without your having to enter any information. This is accomplished by checking the Salary box in the Build Payroll Checks window.

- ▶ *Click the Salary check box in the “Include Automatic Pay Types” section of the window.*

P. Click the Select Batches button, click the appropriate Status box in the Payroll Check Batches window, and click OK

- ▶ *Click the Select Batches button in the lower-right portion of the Build Payroll Checks window. This opens the Payroll Check Batches window.*
- ▶ *Click the check box in the Status column for the Batch ID that corresponds to the pay run you are building. After clicking this check box, the selected batch changes from “Available” status to “Marked” status.*
- ▶ *Click the OK button to return to the Build Payroll Checks window.*

Q. Click the Build button and then click OK in the Report Destination window

- ▶ *When you are sure that all information in the Build Payroll Checks window is complete and accurate, click the Build button.*

After the Build button is clicked, two progress windows flash across the screen and a Report Destination window opens with the Build Check File Report listed at the top.

- ▶ *Make any necessary adjustments in the Report Destination window to review the Build Check File Report on the screen for completeness and accuracy. If there are errors, close the Screen Output window and complete the following steps. If there are no errors, close the window and skip to step R.*

1. Click *HR & Payroll* → *Transactions* → *Build Checks* to open the *Build Payroll Checks* window. The window will contain the information you entered when you built the check run.
2. Click the *Remove* button and click *Remove* again when asked if you are sure you want to remove the build.
3. Repeat steps M through Q to build the pay checks again with the correct information.

R. Click *HR & Payroll* → *Transactions* → *Calculate Checks*

The next step in the payroll process is to calculate the employees' pay checks, including all appropriate withholdings.

- ▶ Click *HR & Payroll* → *Transactions* → *Calculate Checks* to open the *Calculate Payroll Checks* window.

S. Click the *OK* button and then click the *Cancel* button

- ▶ Click the *OK* button to calculate the pay checks.

After a few progress windows flash across the screen, a *Report Destination* window appears.

- ▶ Click the *Cancel* button to close the *Report Destination* window.

T. Click *HR & Payroll* → *Transactions* → *Print Checks*

The next step in the payroll process is to print the pay checks. For this project, you will be printing the checks to the screen.

- ▶ Click *HR & Payroll* → *Transactions* → *Print Checks* to open the *Print Payroll Checks* window.

U. Select *Checks* in the *Print* drop-down list box

The *Print Payroll Checks* window includes a default to use the next check number as an alignment test for a hard copy of the pay checks. You will not be printing a hard copy of paychecks for this project so there is no need to test the alignment.

- ▶ Use the *Print* drop-down list to select "*Checks*."

V. Review the default starting check number and change if necessary

- ▶ If the first check number to be used in the pay run is different from the default check number in the window, type the correct check number.

W. Review the check date and change if necessary

- ▶ If the check date is different from the default check date on the window, type the correct check date.

X. Click the Print button

- ▶ *Click the Print button to open the Report Destination window.*

Y. Print the paychecks to the screen. After all checks are printed on the screen, close the Screen Output window

- ▶ *Make any necessary adjustments in the Report Destination window to print the checks to the screen. You cannot finish processing the paychecks until the checks are printed to the screen.*
- ▶ *After the last paycheck is printed to the screen, close the Screen Output window. This will open up the Post Payroll Checks window.*

Z. Click the Process button

The final step in the payroll process is to record the paychecks to the payroll module using the Post Payroll Checks window.

- ▶ *Click the Process button to post the paychecks. Do not be concerned that the check number in the Starting Check Number box is different from the starting check number for the pay run you are processing. The check number in this window is the check number that will be used in the next pay run. **Note:** If you receive a message about vacation and sick pay accruals, click the OK button.*

TRANSACTION REVIEW

After processing payroll checks, you can determine if the underlying transactions have been posted to the employees' subsidiary records by completing the steps that follow. Recall that the transactions have not yet been posted to the general ledger.

- ▶ *Click HR & Payroll → Inquiry → Check History to open the Payroll Check Inquiry window.*
- ▶ *Use the Employee ID lookup button to select the employee whose payroll check you want to review.*
- ▶ *Click the Show Details button.*
- ▶ *Locate the payroll check you want to review and review the gross pay, withholdings, and net pay amounts. Unlike most other inquiry windows, you cannot zoom to the original transaction window. However, all pertinent information about the payroll check is available in the inquiry window.*
- ▶ *Close the Payroll Check Inquiry window.*

ERROR CORRECTION AFTER POSTING THE TRANSACTIONS

If you discover an error after posting a pay run, refer to Appendix A.