

## Recording Time for ... Thousands of Employees? Dozens of Shifts? Multiple Shift Differentials? Solutions from Computer Aid®!

### UltraTime™ Time & Attendance Software – a powerhouse program

There are many time and attendance systems for small companies and for large companies with *simple* needs.

But if your requirements are *complicated*, as are those of the University of Maryland's (UMD) Student Affairs Division, it's not easy to find an affordable solution. Computer Aid had a great solution for UMD – UltraTime's Time and Attendance System along with Linx® V time clocks.

UMD's Student Affairs Division (spotlighted on page 5) records time for thousands of employees, in multiple on-site and off-site locations, with many different shifts and more than a few shift differentials. UltraTime helps them gather the data they need to send to the State of Maryland's central payroll processing office.

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### UltraTime benefits

As UMD discovered, the UltraTime time and attendance system saves you time and money and helps eliminate errors. With UltraTime, you can:

- process employee punches from time clocks, PCs, Web browser entry facilities, a telephone, or even portable hand-held units for Linx time clocks remote sites;
  - apply specific rules concerning rounding, grace periods, lunch periods, etc.;
  - compare and flag exceptions to the work schedule;
  - calculate each employee's paid hours for the pay period; and
  - export those calculations to your payroll system.
- Export UltraTime data to your payroll system
- UltraTime can export data in formats

accepted by the following: ADP, Bank of America Payroll Services, Ceridian, Dominion, Mapics, Paychex, RoyalBank of Canada, Wells Fargo Payroll Services, R.F. White Payroll Services, and Rapid Pay. And, of course, data can be exported to *PayMaster™* – Computer Aid's own software program for processing payroll in-house.

Connie Shaughnessy, Card Swipe Program Coordinator for UMD's Student Affairs Division, says "UltraTime is a great solution for us. It offers the departments within the division a quick easy solution to monitoring employees' time and processing payroll.

Because UltraTime offers daily attendance, time and pay reports, our supervisors

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### UltraTime continued from page 1

are able to manage their payroll budgets in an efficient manner."

### Important reminder for end-of-quarter

- Remember to process **end of month/quarter** at the end of each quarter, so your new quarter figures will be accurate.

Payroll Manager Cheryl Coates says “UltraTime saves our payroll clerks a lot of time. Otherwise they’d have to calculate everyone’s gross pay. Now, they just run the UltraTime journal and transfer the dollar amount to the University’s paper journal – it’s only one figure for each employee!”

#### ☐ Ease of use

UltraTime is easy to use and efficient.

- You can use the mouse or keyboard to access Windows menus.
- System administrators can customize the menu choices for each access level.
- You can work in both the current and the previous pay period.
- You can enter and edit data quickly and easily.

It’s reliable.

- It offers continuous polling so data is not lost.
- The Linx V time clock terminals have an internal battery to store punches when power is out and an optional battery backup to allow employees to punch in and out when power is out.

It has error catching and security features.

- Choices displayed on pop-up lists are defined by the system administrator (GL account numbers, pay rules, locations/units).
- System administrators can limit access to specific departments. Users see the list of all employee names, but can access only those in their approved department(s).

UltraTime systems fully integrate hardware with software. Hardware consists of PC workstations, servers, and time clock terminals or other units (telephones, hand-held remote units). Three software programs work together in the UltraTime system:

– UltraComm™ communications software on the polling server transfers the data from the time clock or other terminals to the network server.

– UltraTime™ itself on the network server holds the information in a database and processes the information into a wide range of reports including time cards and schedules. You can also get customized payroll journals.

– UltraView™ on PC workstations is used by managers and payroll clerks to review data and print reports prior to processing payroll. It’s used to enter schedules for new employees, override default work schedules, enter future vacation time, add missing in/out punches, and enter punches for multiple employees at one time, e.g., for snow emergency days.

UltraView’s screens are color coded to aid easy and error-proof data entry.

Connie says, “The employees find the clocks easy to use. No more forgetting the time they arrived or left work. The clocks are continuously polling and sending data to the departments. Through the UltraView module, the clerks have all the employees’ time at their fingertips ready to answer any question in seconds.”



#### W-2 Forms

If you haven’t yet ordered your W-2s, order them soon. Remember – only W-2 forms ordered from Computer Aid are guaranteed to work with *PayMaster*.

There is a 15% surcharge on all orders received after December 15 and availability is not guaranteed after December 15.

Division Help Desk for time and attendance, says “Service from Computer Aid is great! UltraTime is very user friendly – just follow the directions and you can’t go wrong. The few times I have had problems, I just call and it’s taken care of. Computer Aid is very customer service-oriented. Donna helps tremendously if we ever have any problems.”

“With UltraTime, you get the time sheet and the hours all calculated for you. It saves our payroll clerks a lot of time because it calculates everyone’s gross pay. With our other system, you just got hours, no calculations. Now, they run the UltraTime journal and transfer the dollar amount to the University’s paper journal – it’s only one figure for each employee!”

“With our customized payroll journal, we can comply with the payroll report requirements of the central State office *and* provide management reports to each location. The journal has gross pay for each employee; employee name and number; hours worked (including straight time and premium rate for overtime); regular, overtime, and shift differential pay (including the shift differential in overtime calculations), as well as vacation and holiday pay; pay class; subtotals for week 1 and week 2 and totals for the pay period.”

Card Swipe Program Coordinator Connie Shaughnessy says “UltraTime is a great solution for us. Working with Computer Aid has been a wonderful experience for me. Not only have I learned a lot, it’s gratifying to me to know that I helped make someone’s job easier and maybe saved a department money.”



**User Spotlight**, continued from page 5

## Tax Law Changes

Effective dates, if known, are noted.

### State minimum wage

RI State minimum wage increases from \$5.65 to \$6.15, 9/1/00. Tipped employees minimum wage remains \$2.89 (In *PayMaster*, change each tipped employee's hourly rate **and** change the state minimum wage for each division as well as the tip credit percentage (two fields above the minimum wage field in INIT/DIVISION,) to ensure your overtime rate is correct.

### State withholding

CO Retroactive to 1/1/00, withholding rate reduced from 4.75% to 4.63%. Employers have the option of changing the rate now or waiting until 1/1/01.

CT New withholding tables effective 7/1/00.

IN Seven counties have raised their tax rates, effective 7/1/00:

- Huntington: .0125 residents, .005 non-residents
- Kosciusko: .01 residents, .00475 non-residents
- Madison & Switzerland: .01 residents, .0025 non-residents
- St. Joseph's: .007 residents, .00325 non-residents
- Starke: .0075 residents, .005 non-residents
- Warrick: .005 residents and non-residents

MI Local tax rate of Detroit, effective 7/1/00, 2.8% residents, 1.47% non-residents

MN New withholding table effective immediately, retroactive to 1/1/00.

PA Effective 7/1/00, city of Philadelphia decreases: 4.5635% residents, 3.9672% non-residents.

WI New tables effective 7/1/00.



## Tips • Tips • Tips

● If you sell or close your business, W-2s are due to your employees for the calendar year it ceases to do business at the time the final 941 is due.

**Tip:** Do zero returns for 941s until the final 941 at the end of the year. Then do a final 941, checking the box "If you do not have to file returns in the future, check here."

● A basic rule of thumb is that a worker cannot work for a company, leave, and return as an independent contractor. Generally (not always), providing a worker with a W-2 and a Form 1099 at year-end is like waving a red flag in front of the IRS.

**Tip:** In an audit, the IRS runs a computer match on the last five years of information.

● The IRS has won again!

Quietwater Entertainment on Pensacola Beach, FL, (known as Jubilee/Captain Fun Restaurant) received and recorded employee tip reports and withheld employee taxes and paid the employer share of FICA taxes on the basis of reported tips. The IRS determined that Quietwater owed additional unpaid FICA taxes on unreported tips and issued a notice and demand for payment. The notice did not identify the tip earnings of individual employees, but was made on an aggregate basis using the gross earnings of the restaurant as reported on its Form 8027 – Annual Information Return of Tip Income & Allocated Tips.

**Tip:** Educate your employees about reporting 100% of their tips. And be sure reported tips on your W-3 equal or exceed the amount of charge tips on Form 8028.

● If charge tips are included in net pay, *PayMaster* uses that amount as the reported charge tips.

**Tip:** If you do not include charge tips in net pay, and your employees report to you the amount of charge tips they receive, periodically check to make sure the amount the employees are reporting to you matches the amount of charge tips that were actually charged by customers and paid by you, the employer, to the employees. If it does not match, ask yourself why. The IRS is sure going to ask you why they don't match.

It's a red flag to the IRS if you file a Form 8027, and the total charge tips on Form 8027 are more than the total of cash and charge tips you report on Form W-3 totaling your employees' W-2s.

At the end of each quarter, you may want to compare your total charge tips in *PayMaster* against the total charge tips on your credit card receipts (which must be kept for seven years, and thus available for an audit).  ■

### THE BLUE PAGES

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## Q & A

Q. Why is my 940 report not correct, but all of my other quarterly tax returns and reports are?

A. With the release of *PayMaster* 7.25, there was a change in the way the 940 is calculated. Previous versions calculated the 940 at the time the report prints. For employees working in multiple divisions, it was not possible to know how much FUTA to allocate to each division for the General Ledger. *PayMaster* 7.25 calculates FUTA every time a check is updated or voided and holds that information in a file from which the 940 report is generated.

If your FUTA tax rate was incorrect when you actually processed payroll or if you voided a check via DISPLAY/PAYROLL instead of CALCULATE/VOID, your 940 report is incorrect.

Users on AutoUpdate will shortly receive *PayMaster* version 7.26 that you can install if you want to return to the old way of calculating the 940 report – computing it at the time the report is printed. If you install the update, your 940 will be correct whether you have a single division or multiple divisions. However, with this update, companies with employees working in more than one division will need to make a journal entry in order for their GL to be correct.

If you decide to not install the update, make sure you always have the correct FUTA rate in *PayMaster*, and that you void all checks through CALCULATE/VOID.

Q. How can I print bonus checks and not have 401(k) deducted?

A. Process the bonus checks as select checks and say **N** to **Calculate miscellaneous deductions?**

Q. When I print my 941 report from last quarter, all the numbers are zeros. Why?

A. When you process end of month, and it's also end of quarter, the data in the current quarter file is moved to the last quarter file and the current quarter data is zeroed out. If you accidentally process end of quarter again, the current quarter (which is now all zeroes) is moved to last quarter.

It's a good idea to make a floppy disk backup of payroll **after** you process the last payroll and/or select and void checks for each quarter, and **before** you process end of quarter. Label the diskette "Save 3<sup>rd</sup> quarter 2000" (or whichever quarter it is). Keep all four quarters' backups for the year until you have reconciled and filed your W-2s for that year. Then, just save your end of year backup along with your copies of the W-2s. You can then recycle the quarterly diskettes.

Q. I finished running payroll including printing checks. Before passing out the checks, I noticed an incorrect check, which I then reissued correctly. A few days later, when I went to void the original incorrect check, I answered **Y** to **Current check?** and got a message saying that it was not a current check. Why is that?

A. The "current check" to *PayMaster* is the very last check that was printed. In this case, it was the select check. Since you voided a check from the payroll you processed prior to issuing the select check, you should say **N** to the **Current check?** prompt.

Also, if you had processed end of month before trying to void the check, be sure to say **N** to the **Current month?** prompt. Be very careful if the end of month is also end of quarter. You have the option to void from the current quarter and year to date, or from the last quarter and year to date. If you have processed end of quarter since the check you are voiding was issued, be sure to void from the last quarter and year to date. And, if you need to, rerun your quarterly reports from last quarter.

Q. I made a change to an employee's payroll data via DISPLAY/PAYROLL/YTD. Does the change I made to YTD automatically change QTD and MTD as well?

A. No, you must change each of those pay files separately. It's always better to make any necessary changes by going to CALCULATE and voiding a check and/or issuing a select check – which will make the changes automatically for the appropriate time periods. However, if you do it as you did, via DISPLAY/PAYROLL, you must make the change to each time period pay file that is affected separately: YTD, QTD, MTD. If you do not, your reports will not be correct. Also, please see the Q&A about the 940 report on this page.  ■

Throughout **THE BLUE PAGES**, there are references to payroll tax laws and requirements in effect as of the date specified. These references to the laws and the explanations provided are designed to familiarize the employer with said laws, but are not meant to serve either as a legal or accounting opinion, or as any indication that reference to the Internal Revenue Code or Regulations issued thereunder and appropriate administrative or court rulings interpreting same is unnecessary. All persons using this newsletter should look to and rely upon their respective legal counsel and accountants with respect to these laws and requirements.

## User Spotlight – The University of Maryland’s Student Affairs Division

What would you do if you had to track time worked for over 2,400 employees – some full time and some who are students who work part time? Some who work standard shifts and others who work specialized shifts? Some who work jobs that have one shift differential for weekends and a different shift differential for weekday nights and evenings? Plus, what if you needed a solution that was very affordable, and would be up and running well before December 31, 1999 . . . because some of your old systems are not Y2K compliant?

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***“UltraTime™ is very user friendly – just follow the directions and you can’t go wrong.”***

Cheryl Coates  
Payroll Manager &  
Help Desk Administrator  
UMD Student Affairs Division

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The University of Maryland in College Park, MD, a major public research university located on a 1,500 acre campus with a 1999 enrollment of over 32,000 students, had to answer that question for their Student Affairs Division.

So they called Computer Aid, which had installed a time and attendance system in 1989 for their Book Center and in 1992 for the Adele Stamp Union (student union) and a different system for Dining Services in 1993.

In mid-1999, Dining Services upgraded their UltraTime software and Linx time clocks to be Y2K compliant.

The rest of the Student Affairs Division (Stamp Union, Golf Course, Campus Recreation Services, Career

Center, Counseling Center, Campus Parking, Health Center, Commuter Affairs, and the Office of the Vice President of Student Affairs) now needed a solution.

A few years ago when the University decided to go to a paperless time & attendance system by having employees clock in via their computers, they found not only that some employees do not have ready access to a PC, but also that the time clocks currently in use were not all Y2K compliant.

In early 1999, Larry Evans, Special Assistant to the Vice President for Student Affairs, started looking for a solution for the whole Division – a system where employees could swipe their employee/student ID card to clock in and out.

Since they were happy with the system already in use for Dining Services they called Computer Aid, who provided a solution that was affordable and installed in time to replace the clocks that were not Y2K compliant. They now have two systems with 45 time clocks.

Larry Evans says, “Computer Aid and Donna Rosen worked with Fuller Ming (Assistant Director for Information Technology), Connie Shaughnessy (Card Swipe Program Coordinator), and Cheryl Coates (Payroll Manager) as if they were all one team working for the Division of Student Affairs. Since the team members worked together so well, my job was easy.”

The system installed is robust and unusual – one system transmitting data three different ways: via modem, ethernet, and serial communications.

Fuller says “Dining Services has used UltraTime for the past eight years. With our customized payroll

journals, it’s really speeded up the payroll processing for our staff. Data is brought in from our point of sale system, reformatted in the UltraTime data stream, and then uploaded for the normal payroll process.”

“When we upgraded to the Windows version last year, it simplified my life greatly. Printing is much easier. And the new UltraView™ software for reviewing the punches is great. We

Connie Shaughnessy and Cheryl Coates of the University of Maryland

use two tools to automatically pull data from the clocks – UltraComm™ /IP to pull data from the network clocks and UltraComm™ to pull data from the serial traditional link clocks. The punches automatically go into the punch distribution file, so the clerks do not have to run the punch exception report first. It’s less processing on the clerk’s part, so less work on my part.”

“The data files are open *dbf* files, so I can use any tool to get to the data, like Crystal Reports, BrioQuery™, or even Microsoft® Access. That’s really nice, because I can pull out employees and upload them into our Door Access card swipe system for entering buildings – the data doesn’t have to be re-keyed. That’s nice to have, instead of a proprietary database.”

Payroll Manager Cheryl Coates, who is in charge of the Student Affairs

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## Get Ready For The 2001 W-2 Changes – Sign Up Now For AutoUpdate!

What's that? You haven't gotten your year 2000 W-2s done, and we're already talking about the year 2001?

Yes, we are, because that's how far in advance we plan, especially when we know changes are coming that will require each *PayMaster* user to get a program update.

What changes are going to take place? The draft 2001 W-2 has these changes suggested:

- Increase in size of the W-2s
- New format for Box e
- Elimination of Box 12
- A new Box 14 with check boxes
- Boxes 15-20 with enhanced State information
- Removal of the Deceased box

The majority of *PayMaster* users are on annual AutoUpdate – one fee per year, and program updates are automatically sent to you. No need to worry about whether you need a program update to correctly calculate and print the current year's W-2s.

If you're not yet on AutoUpdate, why not sign up now?

- You'll receive peace of mind. You know you'll always have the correct *PayMaster* program update for the W-2s and your quarterly state reports.
- If you're on annual telephone support, we can prorate your AutoUpdate so they'll run concurrently and you can get the combination discount.  ■

Call us today for price information – 703-281-7486.

### Accountants and Payroll Processors – Yes, W-3 Forms Are Available From Computer Aid!

One W-3 laser form is automatically included in each order of laser W-2s we ship.

If you process payroll for multiple companies, you can order additional W-3 forms from us. The cost for a minimum order of 10 forms is \$2.00. Additional forms are 20¢ each.

Call us today (703-281-7486) and ask to have the W-3 order form faxed to you. If you add the order on to your W-2 order, you'll save additional shipping and handling charges.