

5 STEPS FOR PAYROLL PROCESSING

1

Know Your Payroll Responsibilities

PAY EMPLOYEES

PAY TAXES

FILE FORMS

2

Choose a Payroll Method that Works for Your Business

DO IT YOURSELF WITH PAYROLL SOFTWARE

With payroll software, the employer enters the time details and the software calculates the paychecks. The checks can then be printed or sent via direct deposit. Beyond that, the employer is responsible for computing payroll taxes and making sure all forms and payments are accurate and made on time. This can lead to forgotten payroll tax payments or paperwork mistakes and costly fees.

OUTSOURCE TO A PAYROLL COMPANY

A payroll company typically has employers and/or employees enter data into a software program. From there, the company will calculate tax deductions, create checks, make direct deposits and generate reports. However, the employer is still fully responsible for tax remittance, wage garnishments and compliance with major laws and regulations like overtime.

OUTSOURCE TO A PEO LIKE FRANKCRUM

FrankCrum has experienced, knowledgeable professionals to audit and catch mistakes, certifying payroll every time. Employers also gain access to hundreds of customized reports. In addition, a PEO will compile and file taxes with checkpoints along the way. That relieves the burden of filing taxes and related forms.

3

Comply with Payroll Laws

CLASSIFY EMPLOYEES CORRECTLY AS EITHER EXEMPT OR NON-EXEMPT

Non-exempt employees primarily perform work that is subject to overtime laws.

Exempt employees are typically paid a fixed salary, not one based on the quality or quantity of work.

FOLLOW BOTH FEDERAL & STATE WAGE & HOUR LAWS

State and federal guidelines dictate wage and hour laws, which are in place to protect employees. Employers should focus on classifying employees correctly, paying them properly, determining compensable worktime and tracking time actually worked.

WITHHOLD THE APPROPRIATE TAXES & GARNISHMENTS

A wage garnishment is a court order that requires an employer to withhold a portion of an employee's wages to pay part of that employee's outstanding debt. Wage garnishments are not voluntary.

MAINTAIN THE NECESSARY EMPLOYEE DOCUMENTATION

You'll need to maintain completed I-9s to verify each employee's identity and eligibility to work in the U.S. Also, make sure each employee fills out a W-4 form to specify his or her tax withholdings.

4

Remit and File Payroll Taxes

REPORT THE EARNINGS AND TAX WITHHOLDINGS OF EACH EMPLOYEE QUARTERLY ON FEDERAL, STATE AND LOCAL TAX RETURNS.

REPORT EMPLOYEES' TOTAL WITHHOLDING AMOUNTS ANNUALLY.

DEPOSIT TAXES IN FULL TO AN AUTHORIZED BANK OR FINANCIAL INSTITUTION.

5

Let FrankCrum Relieve the Payroll Burden

LET US COLLECT AND PAY TAXES

LET US FACILITATE COMPLEX PAYROLLS

LET US MAKE BANKING SIMPLE WITH DIRECT DEPOSIT OPTIONS

LET US ENSURE STATE AND FEDERAL TAX COMPLIANCE

LET US PROVIDE EXPERT GUIDANCE ON WAGE AND HOUR REGULATIONS

LET US MANAGE WAGE GARNISHMENTS