



## **PAYROLL, HUMAN RESOURCES & ACCOUNTING SOFTWARE**

### **Payroll Service Organization Walkthrough**

A **Payroll Service Organization (PSO)** is an organization that performs the payroll functions for their clients. In the PSO scenario each client is setup as a separate company within CYMA.

In this tutorial we will concentrate on the setup of the PSO parent company and one PSO client and then create a bill.

#### **SM Maintain Company:**

Two Processing Category types need to be setup in a PSO environment. There must be one “Payroll Service – Parent” (the PSO) and a “Payroll Service – Client” for each client.

**Payroll Service Parent** – Select this processing category in the company that is designated as the PSO Company. That is, the company providing the payroll service. **This company needs to be setup first and will be the only company that can be designated as a parent.**

The Parent company will receive the payroll billing information from each of their Client companies into their AR module. Therefore, the Parent company requires an AR module but not a PR module. If you do setup a PR module in the Parent company all Client dialogs will be disabled.

**Payroll Service Client** – Select this processing category in each of the individual client companies. The actual processing of the payroll takes place in these client companies and their billing information will be pushed to the parent company’s AR module for invoicing.

Selecting this processing category will:

Enable the following dialogs:

- Maintain Billing Configuration
- Process Billing

Disable the following dialogs:

- Maintain Client Groups
- Maintain Clients

## PR Maintain Billing Configuration (Client):

Setup in this dialog should be completed for each client company prior to billing.

**Maintain Billing Configuration**

**PR** Billing | Feature

Enable Billing for Client  Bill Markup and Fees Only

**Billing Information**

Customer ID: PINNACLE [Search] [R]

Name: Pinnacle Hardware

**Summary Billing Information**

Product ID: SUMMARY [Search] [R]

Description: Summary Billing N/A

Markup/Fee %: 0.00

Product ID: [Search]

Description: [Search]

**Billing Options**

Flat Fee Per Employee: Enter Fees

Product ID: PROC FEE [Search]

Description: Processing Fee per Employee

Based on No. of Employee High-Water Mark

Reset Every: Month [v]

Based on Minimum No. of Employees: 0

Miscellaneous Charges: Enter Fees

\*Multiple Fees

Copy To Clients OK Cancel

Entering values on the Billing tab is usually all that is required to define how a typical PSO will charge their clients.

In this tutorial we will bill the client Pinnacle Hardware a flat fee based on the number of employees processed plus a couple of miscellaneous charges. If your company bills fees plus feature costs and/or a markup percentage please refer to the F1 online help for a detailed description of fields on the Feature tab.

Note: This dialog is also used for the setup of a PEO (Professional Employer Organization – see separate tutorial). A few of the fields on the Billing tab plus all the fields on the Feature tab are more tailored towards the setup of a PEO and will therefore not be discussed in this tutorial.



**Miscellaneous Charges** – This box should be selected if you also bill for non-processing charges such as postage. Press the Enter Fees button to bring up the Miscellaneous Charges dialog.

Product ID	Description	Employee ID	Quantity	Fee Amount	Total	Always Bill
ADDEDIT	Employee Adds & Edits		1.0000	\$2.0000	\$2.00	<input checked="" type="checkbox"/>
DELIV	Delivery/Postage Charge - Tucson		1.0000	\$15.0000	\$15.00	<input checked="" type="checkbox"/>
SETUP	Client Setup Fee - Less Than 10 Employees		1.0000	\$200.0000	\$200.00	<input type="checkbox"/>
W2	W-2 Filing per Employee		1.0000	\$5.0000	\$5.00	<input type="checkbox"/>
			4.0000		\$222.00	

Employee Name:

OK Cancel

In this grid enter those charges you want to be included each time a bill is created plus any charges that are billed infrequently such as the filing of W-2s.

**Product ID** – Enter an active Product ID from the Parent company for each unique charge.

**Description** – The description defaults from the product and is enabled for a client-specific description.

**Employee ID** – An optional field used more for the billing of a PEO. It's a way to attribute a charge to a specific employee.

**Quantity** – Defaults to 1.0000 and also accepts a zero **or any positive or negative value**.

**Fee Amount** – The sales price defined on this product will default and is enabled. This field accepts a zero or any positive value.

**Total** – This amount is derived by multiplying the Quantity times the Fee Amount.

**Always Bill** – Select this field if you want this charge to be auto-selected each time you bill this client.

Note: All values in these columns can be changed when billing the client in the Process Billing dialog.

Please refer to the F1 online help for a more detailed description of all fields on this dialog.

### PR Process Calculate Payroll (Client):

The Calculate function must be completed in this dialog if this client is to be billed a Flat Fee Per Employee and you create client bills before printing checks/creating an EFT file. In the “Calculated” state the data needed for billing is contained in the payroll entry files.

Name	Employee ID	SSN Last 4	Gen'd	Entered	Check Amount	EFT	Total
Bolt, William	WB400	8422		Yes	\$0.00	\$314.40	\$314.40
Boyer, Henry	HB100	3092		Yes	\$338.21	\$0.00	\$338.21
Corkins, Lisa	LC200	2732		Yes	\$616.49	\$0.00	\$616.49
Graves, Sarah	SG100	9283		Yes	\$0.00	\$316.65	\$316.65
Koepke, Sheryl R	SK300	2342		Yes	\$954.09	\$0.00	\$954.09
Norris, Michael E	MN100	4343	Yes	Yes	\$0.00	\$789.07	\$789.07
Tyrone, Frank	FT200	3232		Yes	\$0.00	\$513.26	\$513.26
Williams, Cadence A	CW100	3811		Yes	\$0.00	\$593.55	\$593.55

In our example we have “Calculated” payroll for eight employees. Five employees will receive their net pay thru an EFT transmission and three will receive a printed check. One or more of the Proof reports can be sent to the client for verification and notification of the funds they should have in their payroll bank account, as defined in this client’s SM Maintain Banks, to cover the payroll expense.

### PR Process Print Checks (Client):

Printing checks and/or creating the EFT file must be completed in this dialog if this client is to be billed a Flat Fee Per Employee and you create client bills after printing payroll checks. In this state the data needed for billing is contained in the payroll check files and is referred to as “Actuals.”

**PR Process Tax Forms and Payments (Client):**

Use this dialog to transmit or print the completed tax payment forms for your client.

Category: Federal R State:

Title: Federal Tax Deposit (EFTPS) R

Type: One Year R Date:

Period:  Start Date: 1/1/2013 R

Year: 2013 R End Date: 12/31/2013 R

Description: EFTPS Form 8109. Use this to make 940, 941, 943, 944, and 945 electronic payments.

Group by Clients

Field	Relation	Value 1	Value 2
Client ID	All		
Department ID	All		
Location ID	All		
Client Group ID	All		

OK Close

EFTPS Form 8109:

**Check the Type of Tax to calculate Amount of Deposit**

DOLLARS		CENTS	Darken only one TYPE OF TAX		Darken only one TAX PERIOD	
1,866.03			<input checked="" type="checkbox"/> 041	<input type="checkbox"/> 040	<input type="checkbox"/> 1st Quarter	
			<input type="checkbox"/> 043	<input type="checkbox"/> 046	<input type="checkbox"/> 2nd Quarter	
			<input type="checkbox"/> 044		<input type="checkbox"/> 3rd Quarter	
					<input checked="" type="checkbox"/> 4th Quarter	

**EIN**

Pinnacle Hardware  
3300 N Central Ave  
Phoenix AZ 85013

**FOR RECORDS PURPOSES ONLY  
DO NOT MAIL OR TAKE TO BANK**

Telephone number (602) 714-5515

Federal Tax Deposit Coupon  
**Form 8109** (Rev. 12-2002)

**Please note: Allow approximately 5 business days to process your initial payment.**

**The eFile center must receive an electronic PIN number for you from the IRS.**

**That usually takes 2 to 3 business days.**

**If subsequent payments are submitted by 2PM Central time, they should be processed by the next business day, unless you choose a later settlement date.**

**PR Process Billing (Client):**

The Billing Criteria tab on this dialog is used for selecting the Calc Method and the employees to be billed. There are multiple selection filters available for the selection of employees.

**Reminder:** The client billing is calculated and processed at the client level and then pushed to the parent company for invoicing.

**PR** Billing Criteria | Billing

**Calc Method**  
 Forecast  Calculated  Actuals  Only Miscellaneous Charges and Fees

**Billing Description**  
 Pinnacle Hardware for period ending 8/24/13

**Included Feature Groups**  
 Earnings  Benefits  Other Deductions  
 Non-Taxable Earnings  Pre-Tax Deductions  
 Non-Cash Earnings  Taxes

**Billing Multiplier:** 1  Apply Multiplier to Invoice Totals

**Current Pay Frequency**  
 Start Date:  End Date:

Field	Relation	Value 1	Value 2
Employee ID	All		
Department ID	All		
Location ID	All		
Frequency	All		
Employee Count By	Equal To	Calculated	
Check Date	All		

Only Client Fee - Collects data based on the Flat Fee for Clients

Find Now Detail Print Proof Create Invoices Close

**Note:** The Process Billing dialog is also used for billing processed by a PEO (Professional Employer Organization – see separate tutorial). Some of the options on the Billing Criteria tab are more tailored towards how a PEO would bill their clients and therefore won't be discussed in this tutorial.

Continuing with our example of a PSO billing their client a flat fee based on an employee count and a couple other charges, you would select the "Only Miscellaneous Charges and Fees" Calc Method. With this option selected the program will disable all Included Features Group options, which are used with the other three Calc Methods.

Use the selection filters to specify which employees you are going to bill and also select the appropriate Employee Count By option. You should select:

- "Calculated" if the flat fee count should be based on the number of employees who have been calculated in Process Calculate Payroll. That is, checks/EFT records haven't been created and the data needed for billing is in the payroll entry files.
- "Actuals" if the flat fee count should be based on the number of checks/EFT records created and the data needed for billing is in the payroll check files. If this option is selected you can also enter a specific or range of Check Dates.

**Note:** If you are only billing Miscellaneous Charges and not a Flat Fees Per Employee then you don't have to Calculate or Print Checks prior to billing these charges.

The Billing tab shows the results of your selection criteria.









**Pinnacle Hardware**  
PR Client Detail Billing Calculations Report  
CALCULATION METHOD: ONLY MISC. CHARGES  
BILLING DESCRIPTION:

Feature	Hours	Rate	Emp Amt	Co Amt	MarkUp %	Markup Amt	Adjustment	Total
MISC. CHARGES AND FLAT FEES								
ProductID	Description		Employee ID			Quantity	Fee	Total
ADDEDIT	Employee Adds & Edits					3.0000	\$2.00	\$6.00
DELIV	Delivery/Postage Charge - Tucson					1.0000	\$15.00	\$15.00
PROCFEE	Processing Fee per Employee					8.0000	\$4.50	\$36.00
							<b>REPORT TOTAL:</b>	<b>\$57.00</b>

**AR Enter Invoices (Parent Company):**  
Here is the invoice record created for our example.

The screenshot shows the 'Enter Invoices' application window. At the top, it displays 'AR' logo and fields for Record # (22), Type (Invoice), Invoice #, Date (9/2/2013), and Posting Date (9/2/2013). Below this are tabs for 'Invoice', 'Attach', and 'Custom'. The main form area contains customer information (PINNACLE, Pinnacle Hardware, MAIN, Deer Valley), tax details (Tax Category: NON, Taxable: checked), and terms (NET30, Due Date: 10/2/2013). A table lists the invoice items: ADDEDIT (Employee Adds & Edits), DELIV (Delivery/Postage Charge - Tucson), and PROCFEE (Processing Fee per Employee). At the bottom, there are fields for Product Price Source, Freight (\$0.00), Freight Tax (\$0.00), Invoice Total (\$57.00), and a 'Payment' section with Type (EFT), Date (11/20/2013), Ref (EFT), Exp. Date (###/###), and Amount (\$57.00). Navigation buttons like Copy, Customer, Print, Save, New, Clear, Delete, and Close are at the bottom.

- If changes are made to this invoice or the invoice is deleted, those changes will not update the payroll billing records.

- If the customer is flagged as an Active EFT customer on Maintain Customers and has the “Auto Create Payment on Payroll Billings” option selected then the Payment fields will be populated as shown above with the “EFT” type and the Invoice Total.