# Paylocity Users – *"Did you Know…"*

*…A periodic newsletter to share answers to common questions and to address issues that arise in processing payroll in Paylocity.*

- **Setting up a new employee record:**
  - **Did you know that there are certain fields that must be populated when setting up a new employee?** In addition to fields highlighted in green on the various employee tabs, there are several fields, which need to be populated when setting up a new hire. These include: **cost center, department code, workers comp code, position title and employment type, full time, part time** or **seasonal** to name a few. When entering data for a new employee record, select each tab and complete all necessary fields.

- **Priests and Payroll:**
  - **Did you know that in accordance to the Norms described in the Diocesan Finance Manual, you may not withhold taxes from Priests?** There has been some discussion about this topic with the distribution of a book called "2014 Income Taxes for Priests Only". There is a certain way for setting up clergy and religious in Paylocity. *(See sections 1.46 - 1.50 in the Diocesan Finance Manual regarding remuneration for priests.)*

    - **Active priests should be set up as a W2 employee but with taxes blocked.**
      - In the taxes tab (Payroll Setup/Taxes), the following fields should be recorded as follows:
        - Tax Code:  FITW: Type: Blocked
        - Tax Code:  SITW: Type: Default
        - Tax Form:  W2
        - Tax Codes:  add check marks to: SS Exempt; MedExempt; FUTA Exempt; SUI Exempt;
        - Reason Code:  Import, no tax row;
      - When processing payroll, stipend payments to priests, should be paid using "regular or other earnings"

    - **Religious order priests and sisters** should be set up in the same manner as active priests with all taxes "blocked".
      - To set up a religious order employee, in the personal info tab, the name of the community should be listed in the fields for First Name, Last Name and the name of the priest listed in the field for address1.

      - Payments to a religious order employee are not taxable earnings and should be made payable directly to the community using the deduction

code "support" and **not** earnings.  This will process a check but the transaction will not record the amount as taxable earnings.

- **Retired priests** *can* be set up in Paylocity but it is recommended that stipends paid to retired priests be processed in the accounts payable module of the parish accounting program.  However, should you choose to process stipends to retired priests in Paylocity, you must be consistent and always process stipends in Paylocity.  If you currently process stipend payments in accounts payable, you need to continue in the same manner.  No matter which method is used, stipends are reportable on Form 1099 MISC. *If you plan to process stipends for retired priests via Paylocity, please call either Chris or Pat for instructions since there are certain fields that need to be set-up properly.*

- **Department of Labor and IRS Reminders:**
  - **Did you know that the Department of Labor requires Employers to provide a printed form to employees for each pay check processed?**  Eliminating the delivery charge does not necessarily eliminate the requirement for providing employees with a receipt or detail of their pay check.  NH RSA 275:49 calls for every employer to "furnish each employee with a statement of deductions made from his or her wages."  Employers must provide all employees, including those paid via direct deposit with a printed copy of the transaction unless employees have been set up to access their pay record online.  You can print each employee a copy of their check under the "check history" tab.

- **Check Reconciliation**:
  - There is a check reconciliation option for clearing checks printed at the parish when performing monthly bank reconciliations  An Outstanding Checks report from the Reports Library listing all outstanding (un-cleared) can be printed and kept with the monthly bank reconciliation.  Checks printed at your location need to be cleared in check reconciliation.  It is not necessary to clear checks printed by Paylocity since these will be cleared by them directly.  *PATH:  Tax/Finance, then check reconciliation*

Questions and comments can be directed to:
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