

Deltek Vision®6.1 SP4, 6.2 SP2, 7.0, 7.0 SP1, 7.1, and 7.2

Year-End Guide

December 2, 2013

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Overview

This guide presents year-end processing guidelines for Deltek Vision.



This guide is not comprehensive. See the [Deltek Vision Frequently Asked Questions](#) document and the [Vision Online Help](#) for additional information.

Year-End Update

This 2013 Year-End Update for Vision Versions 6.1 SP4, 6.2 SP2, 7.0 and 7.1 contains tax updates and will be distributed as a hot fix by late December 2013. After January 2014, any additional changes or tax updates that become available will be released as hot fixes.

What's New



The Federal tax changes described below were current as of December 2, 2013. If further changes are disclosed, this section will be updated accordingly.

FICA Withholding

OASDI (Social Security)

- Tax Rate: 6.2%
- Wage Base: \$117,000 (increased from \$113,700 in 2013)

401(k)

- Employee contribution limits: \$17,500 (unchanged from 2013)
- Additional catch-up contributions amounts for employees aged 50 and over: \$5,500 (unchanged from 2013)
- Employee compensation limit: \$260,000 (increased from \$255,000 in 2013)


W-2 Form

- Vision supports the reporting of the cost of employer-sponsored health coverage. If applicable, the amount is reported using code DD in Box 12 of the W-2.

Adding Custom Notes to This Guide

If you would like to add custom notes to this guide that are specific to your company, Adobe® Reader® X provides this ability. If you do not already use Adobe Reader X, you can download it [here](#) free from Adobe.

To add a custom note using Adobe Reader X, complete the following steps:

1. On the Reader toolbar, click **Comment** at far right.
2. In the **Annotations** pane that displays, click  **Sticky Note**. The cursor changes to match the button.

3. Position the cursor at the location in the guide where you want the note to appear, and click. A note icon is inserted at the location and a text box pops up.
4. Enter your information in the text box.
5. Continue adding notes as needed.
6. Save the document.



Deltek recommends that you save the document to a slightly different filename so as to keep the original from being overwritten.

When reading the document, cursor over a note icon to see the information. Double-click a note icon to edit the information.

Customer Care Connect Site

To expedite our responses to your questions at year end, we encourage you to use the Customer Care Connect site <http://support.deltek.com>, where you can enter incidents on the Ask Support page or start a live chat with one of our analysts.

Click the link below to view the Year End Info Center, located on the Customer Care Connect site home page. This site will be updated continuously through February and will contain information such as Year-End Bulletins, FAQs, links to the product releases, additional services that are offered for year-end, and up-to-date tax changes.

You need a valid Customer Care Connect login to access this site:

<https://deltek.custhelp.com/cgi-bin/deltek.cfg/php/enduser/EndOfYear.php>

Alternatively, you can contact Deltek Customer Care by calling 1.877.457.7765.



To ensure that you complete the steps in the correct order, Deltek recommends that you read this entire document before you begin.

Chapter 1: Overview of Year-End Processes

Initialization Utilities

You can run separate initialization utilities to complete the year-end process. For example, you can open the new year without finishing the old year for Payroll and Accounts Payable purposes. The following sections summarize each initialization utility. **Do not initialize until you review all of the following sections.**

You must perform the initialization step **only once**. If you perform this step more than once, it will be necessary to restore a backup copy of your database. The initialization utility displays the date on which it was last run; Deltak recommends that you make note of that date.

When you run the separate initialization utilities, Vision records the process on the Posting Log Review report, located under **Transaction Center » Posting Review Report**. The entry appears as an **AL** transaction type, indicating an audit log posting. This information is useful as an audit trail for all changes that updated your database in a specific period. The transaction appears in the period in which the action was performed.

Multicompany

You must run each initialization utility separately for each company. Running the initialization utilities only initializes for the active company. The only exception is the Open New Period utility, which opens for all companies at once. See the Vision Online Help for more information.

Open New Period (Fiscal Year)

Vision keeps track of how many periods per fiscal year were designated during installation. Click **Utilities » Period Setup** to view the current settings. When the new period is in a new fiscal year, it prompts Vision to set year-to-date reporting values to zero.

Open the new fiscal period at the beginning of the General Ledger fiscal year. Click **Utilities » Open New Period**.

Do Not Open a Period Until You Are Ready to Post to It

Deltak recommends that you do not open a period until you are ready to post to it. Because the new period becomes the current period, you would need to post to the prior period, and run reports and process in the prior period, after you open the next period.

Open New Benefit Year

The Open New Benefit Year utility zeros out all year-to-date benefit hour information (the year-to-date hours earned and year-to-date hours taken). If the benefits are set up to carry over hours to the next benefit year, Vision adds the current year's unused earned hours to the new benefit year's starting balances, based on the limits specified.

If the benefit hours are set to pre-accrue at the time that you open the New Benefit Year, Vision adds these yearly benefit hours to the employee's current year earned hours automatically.

You **must** initialize for the New Benefit Year **prior to** posting any timesheets or running Payroll for the new year.

Click **Utilities » Open New Benefit Year**.

1099 Initialization (Accounts Payable users only)

The 1099 Initialization utility resets vendor year-to-date values to zero. The initialization step transfers the **Paid This Year** amount for all vendor records to the **Paid Last Year** field on the Accounting tab of the Vendor Info Center. The **Paid Last Year** field amounts appear on the 1099-MISC form in box 7.

You **must** complete **all** Accounts Payable payment processing and adjustments before running the 1099 Initialization. You cannot process the 2013 1099–MISC forms before initializing a new 1099 year.

Click **Utilities » 1099 Initialization**.

Open New W-2 Quarter /Year (Payroll Users Only)

Vision keeps track of which W-2 quarter and W-2 year are open. You must perform quarterly initialization at the end of each calendar quarter and at the beginning of the calendar year. The Open New W-2 Quarter/Year utility resets the employee year-to-date Payroll values to zero.

It is not necessary to process the 2013 W-2s before opening the New W-2 Quarter/Year. However, you **must** complete **all** Payroll processing and Payroll adjustments for 2013 before opening the New W-2 Quarter/Year.

Click **Utilities » Open New W-2 Quarter**.

Processing with Two Fiscal Years Open

Opening Multiple Periods Spanning Different Fiscal Years

Vision makes it possible for you to open, and process in, multiple periods. The open periods can span fiscal years. For example, December 2013 can be open at the same time as January 2014. Any adjustments made in the old year automatically update balances in the new fiscal year, regardless of when this occurs. You can open January without completing all of the December processing first, allowing you to begin processing January transactions before closing the December period.

Accounts Payable Payment Processing in the New Fiscal Year

When two fiscal years are open, you **must** complete **all** Accounts Payable payment processing and Accounts Payable disbursements before running the 1099 Initialization utility for the new 1099 year. Once the new 1099 year is open, then it is possible to enter new Accounts Payable payments and Accounts Payable disbursements for the 2014 processing year. This ensures that the year-to-date figures are properly updated for the vendors. It is possible to create and post new Accounts Payable vouchers as usual with two fiscal years open.

Payroll Processing in the New Fiscal Year

When two fiscal years are open, you should complete **all** Payroll processing and Payroll-related adjustments for 2013 in W-2 year 2013 before running the Open New W-2 Quarter/Year utility for the new W-2 year. Once the new W-2 year is open, then it is possible to enter new Payroll payments for the 2014 processing year. This ensures that the year-to-date figures are properly updated for the employees.

Year-End Checklist

At year end, you need to complete the steps listed in the checklist below. You should complete all required activities in the recommended order.

Step	Description	Done?
1.	Make a complete backup.	
2.	Open a New Period (Fiscal Year).	
3.	Begin to process allowable transactions in the new fiscal year. However, do not process any Accounts Payable disbursements, Accounts Payable payment processing, or Payroll processing.	
4.	Complete all 2013 Payroll payments and adjustments in 2013.	
5.	Install the 2013 Year-End Update (Versions 6.1 SP4, 6.2, and 7.0). For Deltek First Vision Essentials SaaS customers, the Year-End Update is scheduled and installed by Deltek Cloud Operations. The timing and specifics of this update will be communicated to the SaaS Administrators within Deltek First Vision Essentials SaaS organizations.	
6.	Run the Open New W-2 Quarter utility. Since December is in the fourth quarter, Vision automatically opens a new W-2 Quarter/Year.	
7.	Print 2013 W-2 forms and, if applicable, generate the Electronic Filing (Magnetic Media) file. You can complete this step at any point after step 5.	
8.	Post all 2013 timesheets and, if applicable, run the Open New Benefit Year utility (See Chapter 6 of the Year End Guide). You can now begin processing 2014 timesheets and Payroll.	
9.	Complete all 2013 Accounts Payable payment processing, adjustments, and Accounts Payable disbursements in 2013.	
10	Run the 1099 Initialization utility (See Chapter 7 of the Year End Guide). You can now begin processing Accounts Payable payments and Accounts Payable disbursements for 2014.	
11.	Print 2013 1099-MISC. forms and, if applicable, generate the Electronic Filing file. You can complete this step at any time after step 10.	
12.	Process any 2013 accounting adjustments, such as journal entries.	
13.	Print the final 2013 accounting reports.	
14.	Close the 2013 periods and fiscal year.	
15.	Make a complete backup. Deltek recommends that you label this backup with the date and the Vision version number.	

Chapter 2: Ordering Forms

Vision supports laser and inkjet printers.

Accounts Payable checks, Employee Expense checks, Payroll checks, 1099-MISC forms, and W-2 forms print on specific stock. Vision generates 1099s to use with the 1099-MISC form and W-2 form 2-per page or 2-Up form.

For information about vendors that work with Deltek, please follow the steps below to view the vendor page on the Deltek Web site.

1. Go to <http://www.deltek.com>.
2. From the main menu, click **Partners » Find a Partner**.
3. In the **Partner Category** drop-down list, select **Channel/Forms Vendor**.
4. Click the **Search** button.

Supported Deltek form providers

Deluxe Small Business Services at 800.328.0304 or 800.336.4168 or <https://www.deluxeforms.com/>

- **Emily Business Forms, Inc.** —800.392.6018 or <http://www.emilybusinessforms.com/>
- **Forms Fulfillment Center** — Forms for Deltek at 800.411.2588 or <http://www.formsfordeltek.com/>

Outside the United States:

- **Canadian Check Stock** — Can be obtained from Artina.
- **United Kingdom Check Stock** — Can be obtained from your bank.

Chapter 3: Preparing Your System for Year-End Processing

Establishing a Disaster Recovery Plan

If your database is housed on your own computers, it is critically important that your organization develop and maintain a regular maintenance plan and disaster recovery plan, and that you test it periodically. Year end is a good time to review your backup and recovery procedures.

It is important to understand how to restore data from a backup in the event of a hardware or system failure. Having a disaster recovery plan in place is critical to any successful installation. In the unlikely event of drive failure, you need to have procedures documented that outline the steps necessary to recover from a backup without losing significant data or time.

If your database is hosted by Delttek, a Delttek partner, or other provider, the host organization is responsible for database backups. You can confirm this with your host organization.

Verify the Version of Microsoft SQL and Application Server

To verify the versions, complete the following steps:

1. In Vision, click **Help » About**.
2. Review the Application Server line, for the name of the Application Server.
3. Review the SQL/MSDE Server line and verify the version number.
 - Microsoft SQL 2012 – 11.00.xxxx
 - Microsoft SQL 2008 - 10.0.xxxx.xx
 - Microsoft SQL 2005 - 9.00.xxxx.xx

Make MSDE-SQL Server and SQL Server Backups

Delttek recommends that you manually create two complete year-end backup sets and keep them separate from your normal backup media set. Store one of these copies off-site in case of fire or other disaster. Be sure to test a restore of your backup to ensure that it is usable.

For more information, please reference KnowledgeBase Article #32919 - How to backup and restore databases.

For more information about Microsoft SQL procedures for backup and restore, please see the Microsoft Technet Library, starting at this link: <http://technet.microsoft.com/en-us/library/ms187048.aspx>.

Chapter 4: Installing the 2013 Year-End Update

The 2013 Year-End Update contains the 2014 payroll tax tables required for processing in the new year, along with any changes related to 1099 or W-2 Form processing.

For Deltek First Vision Essentials SaaS customers, the Year-End Update is scheduled and installed by Deltek Cloud Operations. The timing and specifics of this update will be communicated to the SaaS Administrators within Deltek First Vision Essentials SaaS organizations.



If you have not yet upgraded to Vision Version 6.1 SP4, 6.2 SP2, or 7.0, you must upgrade before installing the 2013 Year-End Update

Before You Install

If you have a standard, on-premises Vision implementation, complete the steps in this section before you install the Year-End Update.

If you are a Vision First SaaS customer, complete these steps before Deltek Cloud Operations deploys the Year-End Update to the SaaS environment.

Before installing the Year-End Update, complete the following steps:

1. Make a complete backup. .
2. Complete all Payroll 2013 processing.

Multicompany

You must complete all Accounts Payable and Payroll processing for all companies in your enterprise before installing the 2013 Year-End Update. This update will install the updated tax tables for all companies.

Install the Update

To install the update, complete the following steps:

1. From your Web\Application server, log into the Deltek Support site at <http://support.deltek.com>.
If you cannot run this at the server itself, you can run it on another machine and then later copy the downloaded file to the server.
2. Select the tab called Product Downloads and run the Deltek Software Manager.
If you are not familiar with the Deltek Software Manager, you can select Help > Show Tutorial.
3. Click the + next to your Vision version.
4. Click the + next to HotFix.
5. Select the check box for the HotFix for the Year-end Update.

If you do not see the appropriate HotFix, go to the top menu bar and click **View » Show All Releases (including Downloaded and Hidden)**.

6. Click **Download**. Save the HotFix file to an appropriate location.
 - If you are not running this on the server itself, you need to copy the downloaded file to the Web\App server.
 - Typically, HotFixes are loaded into the folder ...Vision\“version”\“service pack”\GA\HotFixes, where “version” is the Vision version number and “service pack” is the Service Pack number.
 - For Vision 6.1 SP4, the executable file will have the name DeltekVision61SP4HotFixNNN.exe where NNN is the HotFix number.
7. Make sure that there are no jobs running that are using the Vision databases. You can temporarily stop the Deltek Process Server service to make sure that no jobs will fire up while you are running the HotFix.
8. Make sure all users are logged out of Vision. The HotFix installation will restart IIS, and will kick out any users who are still logged in.
9. Make a manual backup of your Vision databases.
10. Launch the HotFix executable file on the Web\Application server.
 - It will upgrade the program files on the server.
 - It will also run a script upon your Vision databases. You can allow the script to run automatically.
11. If you do not allow the script to run automatically, you need to run it manually on each of your Vision databases.
 - Typically, the scripts are loaded into the folder ...\\Deltek\\Vision\\Databases\\Scripts.
 - The script will have the name DeltekVision“version”HotFixNNN.sql, where “version” is the version number and NNN is the HotFix number.
 - If your database is formatted for UNICODE, the script will be named UnicodeDeltekVision61“version”HotFixNNN.sql.
 - If your SQL Server services are running on another server, you need to copy the script over to the SQL server and run it there.
12. After the HotFix is complete, log back in to Vision and test to make sure that it has been successfully applied.



For more information about Hot Fixes for Vision 6.1 SP4, see KnowledgeBase article 53764.

For more information about Hot Fixes for Vision 6.2 SP2, see KnowledgeBase article 69743

For more information about Hot Fixes for Vision 7.0, see KnowledgeBase article 70480

For more information on how to run SQL Scripts, see KnowledgeBase article 50414.

Check <http://support.deltek.com> for notifications of additional tax changes, any changes received after the release of the first Year End update will be released in a second update in January.

Chapter 5: Opening the New Period / Fiscal Year

Prior to Opening the New Period / Fiscal Year

Make a year-end backup before opening the 2013 fiscal year. Label it clearly (including the Vision version number) and keep it permanently on file. Consider storing an additional copy of the year-end backup off-site.

Perform the Open New Period/Fiscal Year step only once. If you perform this step more than once, it will be necessary to restore to a backup copy of your database..

Areas That Reset to Zero after You Open a New Fiscal Year

Areas that reset year-to-date values to zero after you open a new fiscal year include the following:

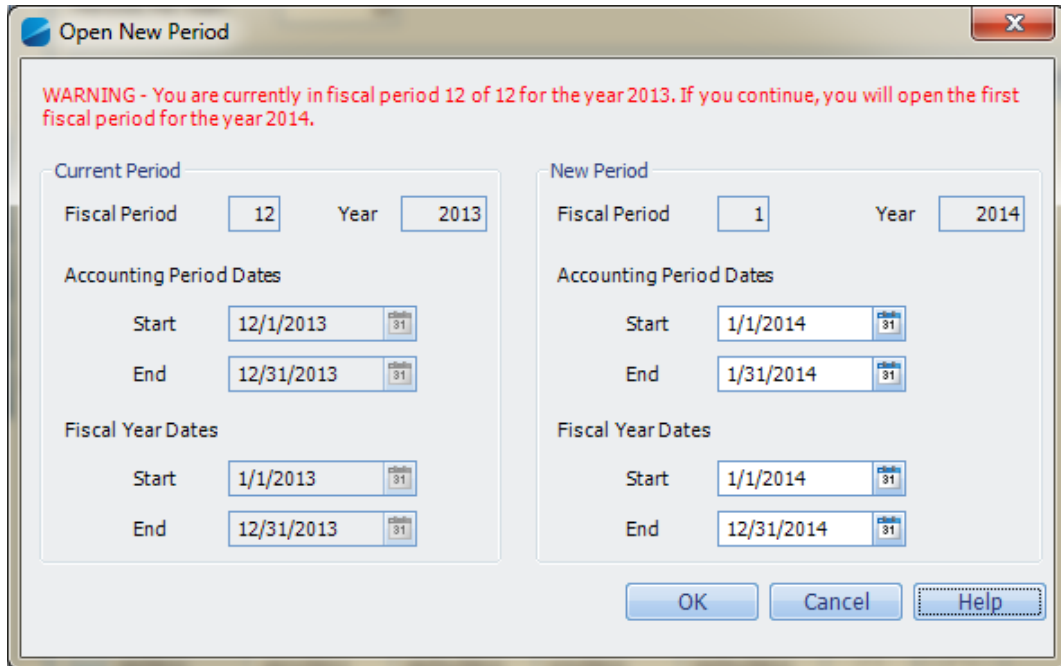
- Time Analysis report
- Project reports for overhead type projects
- Overhead Allocation calculation for the new year
- Year-to-date figures on the Key Financial Metrics reports
- Year-to-date values on accounting reports, such as the Cash Journal or Check Register
- If you have the Accounting application installed, the Income Statement accounts close out to the prior year's Retained Earnings account on the Balance Sheet.
- When you open a new fiscal year, the year-to-date totals zero or are cleared out. However, the transactions are not gone. You can go into the prior period / year and run reports to see the prior year totals.

Open the New Period/Fiscal Year

To open the New Period / Fiscal Year, complete the following steps:

1. Click **Utilities » Open New Period**.
2. If the current period open is the last period in the fiscal year and you open a new period, Vision displays the following warning:

WARNING - You are currently in fiscal period 12 of 12 for the year 2013. If you continue, you will open the first fiscal period for the year 2014.



3. If this prompt does not display when expected, do not open the new period. Call Deltek Customer Care (Support) for assistance.
4. When you click **OK** to pass this warning, the following warning displays:

!! WARNING!! - You are initializing for a new fiscal year. Do you want to continue?
5. Click **Yes** to open the first period in the new fiscal year.

Multicompany

Opening a new period opens the new fiscal period for all companies at the same time. See the Vision Online Help for more information.

Audit Trail Implications

When a new fiscal year is opened, Vision records the opening of the period / year on the Posting Log Review report. Click **Transaction Center » Posting Review Report** to see the report.

The entry appears as an AL transaction type, indicating an audit log posting. This information is useful as an audit trail for all changes that updated your database during a specific period. The transaction appears in the period in which the action was performed.

Chapter 6: Benefit Accruals

Benefit Accruals Checklist

At year end, there are certain steps that you need to perform for benefit accruals, as outlined below. Refer to the following checklist to ensure that you perform all required benefit accrual activities in the recommended order.

Step	Description	Done?
1.	Complete all benefit processing and adjustments for 2013.	
2.	Post all 2013 timesheets and Payroll, if applicable.	
3.	Create a backup of the database.	
4.	Verify Benefit Accruals setup information.	
5.	Run Open New Benefit Accrual Year utility.	
6.	Run Accrued Time report to confirm benefit totals in Vision.	
7.	Process timesheets and Payroll, if applicable for 2014.	

Prior to Opening the New Benefit Accrual Year

Make a year-end backup before opening the 2014 benefit accrual year. Label it clearly (including the Vision version number), and keep it permanently on file. Consider storing an additional copy of the year-end backup off site. You update the benefit hours taken number through posting timesheets or processing Payroll (depending on your benefit setup). It is very important that you post all timesheets and Payroll prior to opening the new benefit accrual year. Once the new benefit year is opened, the tracking of benefit hours for the new benefit year begins.

Opening the New Benefit Accrual Year

Open a benefit accrual year when it is needed to start tracking time earned and taken for a new benefit year. You can have only one active benefit accrual year. The benefit accrual year can be calendar year or fiscal year based for your company. However, most benefit years match the payroll year and are on a calendar year basis.

You must confirm all of the benefit accrual setup information. This includes carry-over limits, pre-accrue of hours, schedules, and benefit hours per year for the employees.

When you open a New Benefit Accrual Year, Vision zeros out all year-to-date accrual totals for all employees. This process includes year-to-date hours earned and taken. The current year's ending balance for a benefit plan becomes the starting balance for the new benefit accrual year, based on limits specified.

You must open the New Benefit Accrual Year only once. If you perform this step more than once, it may be necessary to restore to a backup copy of your database. The Open New Benefit Accrual Year utility displays the date, on which it was last run; please make note of that date.

Multicompany

You must run the Open New Benefit Year utility separately for each company. Running the Open New Benefit Year initialization utility only initializes for the active company. See the Vision Online Help for more information.

Verify Benefit Accrual Settings

You verify defaults for benefit accruals in Configuration. You verify employee-specific settings to override those defaults in the Employee Info Center.

To verify default benefit accrual settings, complete the following steps:

1. Click **Configuration » Accounting » Time Analysis » Benefit Accrual Setup** tab.
2. Verify the **Carry over Limit** for each benefit code. Use this option to enter the maximum number of hours that can be carried over into a new accrual year, for a particular benefit. When an employee reaches this maximum, Vision no longer accrues hours for this benefit, for this employee.
3. If the **Limit Hours Carried over to New Accrual Year** option is selected, verify that the **Carry over Limit** field is correct. If this field is left blank, Vision reads this as a zero hours and zeros out the hours carried over.
4. Verify the **Pre-accrue hours** for each benefit code. If this is selected on a benefit, Vision accrues the full number of hours for the benefit year when you open a new benefit year.
5. If you are using an Accrual Schedule, verify that the schedule is set up correctly under **Configuration » Accounting » Accrual Schedule**.

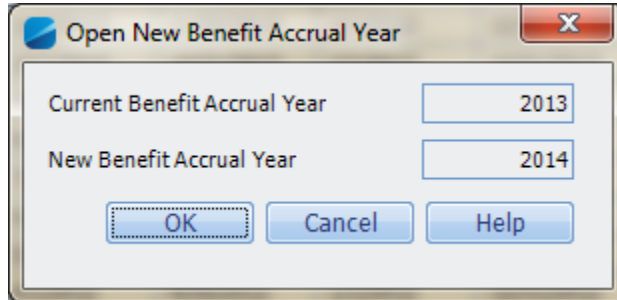
To specify an individual employee's benefit accrual settings and overwrite the default settings, complete the following steps:

1. Click **Info Center » Employee » Accounting** tab.
2. Verify the **Carry over Limit** for each benefit code. You can set up separate carry-over limits for individual employees here that override the default settings under Configuration.
3. Verify the **Hours Per Year** or **Accrual Schedule** for the employees.
4. Click **Reporting » Employee » Accrued Time** to see current benefit hours on the Accrued Time report.
5. If there are no carry-over or pre-accrue hours, you must process the first benefit accrual for the new benefit year (2014) to see the new benefit hour amounts.

Open New Benefit Accrual Year

To open the benefit accrual year, complete the following steps:

1. Click **Utilities » Open New Benefit Year**. Vision displays a dialog box that lists the current benefit accrual year and the new (next) benefit accrual year:



2. After you verify the dates, click **OK**.

Audit Trail Implications

When you open a new benefit accrual year, Vision records the opening date on the Posting Log Review report.

To see this report, click **Transaction Center » Posting Review Report**. The entry appears as an **AL** transaction type, indicating an audit log posting, and is useful as an audit trail for all changes that updated your database in a specific period. The transaction appears in the period in which the action was performed.

Chapter 7: Accounts Payable

Accounts Payable Checklist

At year end, there are certain steps that you need to perform in Accounts Payable, as outlined below. Refer to the following checklist to ensure that you perform all required Accounts Payable activities in the recommended order.

Step	Description	Done?
1.	Complete all Accounts Payable payment processing, adjustments, and Accounts Payable disbursements for 2013.	
2.	Create a backup of the database.	
3.	Install the Vision 2013 Year-End Update. For Deltek First Vision Essentials SaaS customers, the Year-End Update is scheduled and installed by Deltek Cloud Operations. The timing and specifics of this update will be communicated to the SaaS Administrators within Deltek First Vision Essentials SaaS organizations.	
4.	Confirm the Paid This Year 1099 totals, 1099 Required, Federal ID, and Primary Address information for vendors.	
5.	Run the 1099 Initialization for a new 1099 year.	
6.	Generate the 1099 work file and run the Verify Payments utility.	
7.	Print 1099s and, if applicable, generate the Electronic Filing (Magnetic Media) file.	

Initializing for a New 1099 Year

After all vendors have been paid in 2013, but before you pay any vendors in 2014, you must initialize for a new 1099 year. This resets all vendors' **Paid This Year** amounts to zero.

The initialization for a new Accounts Payable 1099 year transfers the **Paid This Year** amount for the vendors to the **Paid Last Year** field on the Accounting tab in Vendor Info Center. When Vision generates the 1099 work file, it refers to the **Paid Last Year** field on the vendor that is prefilled into box 7 on the 1099-MISC form.

You must complete the 1099 initialization before processing any payments or Accounts Payable disbursements in the new year.

You must perform the initialization step only once. If you perform this step more than once, it will be necessary to restore to a backup copy of your database. The 1099 initialization utility displays the date on which it was last run; please make note of that date.

Multicompany

You must run the 1099 Initialization utility separately for each company. Running the 1099 Initialization utility only initializes for the active company. See the Vision Online Help for more information.

Verify 1099 Settings for Vendors

To verify 1099 settings for vendors, complete the following steps:

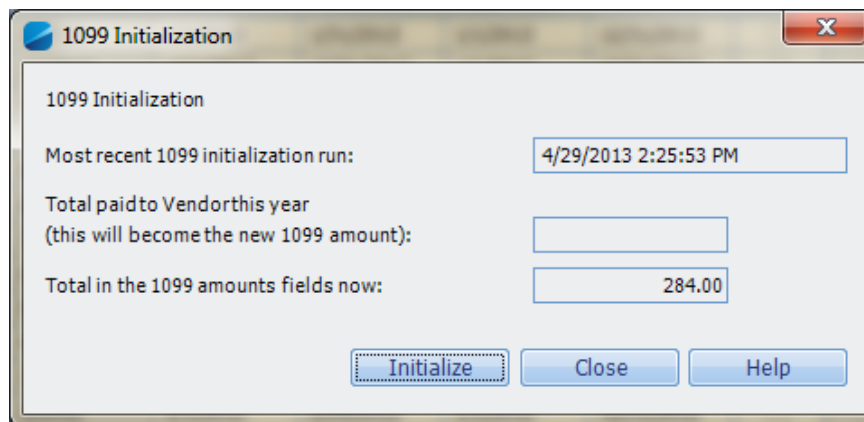
1. Click **Info Center » Vendors » Accounting** tab.
2. Verify the amount in the **Paid This Year** field. This field includes the amount that you paid the vendor during the current calendar year (2013, in this case, which is the year for which you are producing the 1099 form).
3. Review amounts paid to vendors on the Voucher Ledger report. Click **Reporting » Vendor » Voucher Ledger**.
4. If Vision was installed mid-year and you did not enter historical amounts (or balances forward) in the **Paid This Year** field in the Vendor Info Center, the balances may be incorrect. If you have not yet initialized, manually modify the **Paid This Year** field. If you have already initialized, modify the **Paid Last Year** field to reflect these balances.
5. Verify that the **1099 Required** option is selected, to indicate that Vision should generate a 1099-MISC form for this vendor.
6. Verify that the **Federal ID** field is populated. You can enter a Taxpayer Identification Number (TIN) here or in the Form 1099 editor.
7. Review these settings for vendors on the Vendor List report. Click **Reporting » Vendor » Vendor List**.
8. On the General tab of the Vendor Info Center, verify that there is a **Primary Address** selected for this vendor. You must specify a primary address before you can process a Form 1099-MISC for a vendor.

Run the 1099 Initialization Utility

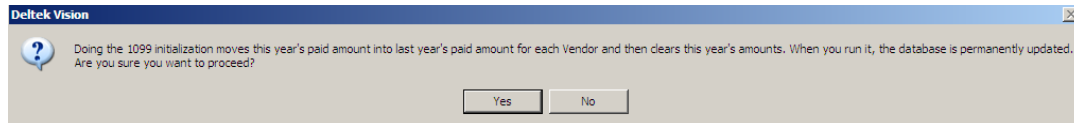
You can run the 1099 initialization while in the December 2013 accounting period or the January 2014 accounting period.

To run the 1099 Initialization utility, complete the following steps:

1. Click **Utilities » 1099 Initialization**.
2. After verifying the most recent 1099 initialization run, click **Initialize**.



The following message displays:



3. Click **Yes** to continue Initialization.

Audit Trial Implications

When the 1099 year is initialized, Vision records the process on the Posting Log Review report. To see the report, click **Transaction Center » Posting Review Report**. The entry appears as a VI transaction type, indicating an audit log posting. This information is useful as an audit trail for all changes that updated your database in a specific period. The transaction appears from the period in which you performed the action.

Verify Payments Utility

Use the Verify Payments utility after you generate a work file and before you print the 1099 forms for your vendors. The Verify Payments utility examines all vendors whose data matches all of the criteria for sending a 1099 form. The 1099 Verification report shows only those vendors who have a discrepancy between the total payments processed and the **Paid Last Year** field in the Vendor Info Center. If there are no vendors listed on the report, no discrepancies exist between the payments processed and the **Paid Last Year** field. Deltek recommends that you run this verification utility because the numbers that print on your 1099 forms may require that you modify numbers in the Vendor Info Center or through the Edit feature in Form 1099 Processing.

To run the Verify Payments utility, complete the following steps:

1. Click **Accounting » Accounts Payable » Form 1099 Processing**.
2. Click **Generate Work File**.
3. Click **OK**, then click **OK**.
4. Select **Verify Payments**.
5. Select the **Starting** and **Ending Period** range.
6. Select the **Sort By** options.
7. Click **Preview** to see if there are any discrepancies for the vendors.
8. Determine the correct amount and update the vendor **Paid Last Year** field on the Accounting tab of the Vendor Info Center.
9. To review amounts paid to vendors, run the Voucher Ledger report (**Reporting » Vendor » Voucher Ledger**).

Form 1099 Processing

At year-end, you must provide a 1099 Form to any vendors to whom you paid more than a specified amount (as legislated). The 1099 Form displays the amount paid by your company to the vendor.

Distribute the five copies of this form as follows:

Copy	Distribute to
A	Internal Revenue Service Center
B	Recipient (vendor)
C	Payer, for the payer's records
1	State tax department
2	Recipient (vendor), for the recipient's state taxes

Printing Guidelines for 1099-MISC Forms

Vision prints on the 1099-MISC Form exclusively. You can print the 2013 1099-MISC forms after installing the Year-End Update. You can also print 1099-MISC forms for prior years, if necessary.

Deltek performs all printing tests using Laser and Inkjet printers. Because Laser and Inkjet printers do not accommodate carbon copy forms, you can print only one copy of the 1099-MISC form during a single print run. Therefore, you must print multiple copies (see below).

Deltek recommends ordering 1099-MISC forms through supported Deltek vendors. See Chapter 2 for information about ordering forms.

Printing a Test Run

Before you print a final set of 1099s, you should print a test run. The test run confirms that all of the 1099s print correctly and that all 1099s are properly aligned. Deltek recommends that you perform this step well in advance of your final 1099 run.

To print a test run, print the 1099s on plain paper and then hold the paper over the actual forms to verify the layout.

Form 1099-MISC Processing Checklist

Refer to the following checklist to ensure that you perform all required 1099-MISC processing activities in the recommended order.

Step	Description	Done?
1.	Enter vendor information on the Form 1099 Processing Form.	
2.	Enter the Payer State Tax Identification Numbers for state withholdings where state taxes were withheld for the vendors.	
3.	Generate the 1099 work file to review the data to be used on the 1099.	
4.	Run the Verify Payments utility.	
5.	If necessary, edit the work file using the Form 1099 Editor.	
6.	Print or print preview 1099 forms for desired vendors.	

Step	Description	Done?
7.	If required, generate the Electronic Filing (Magnetic Media) file.	

Print 1099-MISC Forms

To print 1099-MISC forms, complete the following steps:

1. Confirm that all Accounts Payable processing, adjustments, and Accounts Payable disbursements for the 2013 1099 year are complete.
2. Confirm that the 2013 Year-End Update is installed. To verify this, click **Help » About » Details** and verify that it displays **Deltek Vision 2013 Year-End Update**.
3. Create a backup of the database.
4. Click **Accounting » Accounts Payable » Form 1099 Processing**.
5. Select the appropriate **1099 Year** for processing.
6. The **Processing 1099 Year** field defaults to the 1099 year currently open. 1099 generation process uses data for the 1099 year setting, so it is important to select the appropriate year prior to generating a 1099 work file.
7. Enter the **Payer** information, including the Payer's Federal identification number. The Federal Government assigns this number.
8. Verify the **Minimum Recipient** payments. Enter the minimum amount paid to a vendor to make it necessary to send the vendor a Form 1099.
9. Click **Generate Work File** to create a 1099 information file. Click **Yes** to confirm generating the work file.
10. After the work file generates, click OK. If a 1099 work file already exists for the selected 1099 year, Vision asks if you want to overwrite the existing 1099 work file.
 - Click **Yes** to regenerate the 1099 work file for the selected 1099 year. Any manual edits made to the 1099 work file will be lost. Please note that this does not remove any actual Accounts Payable information, it only deletes the previously processed and manually edited 1099 work file.
 - Click **No** if you want to review the previously generated 1099 work file, including any manual edits made to the 1099 work file previously.
11. Select **Verify Payments**.
12. Select the **Starting** and **Ending Period** range.
13. Select the **Sort By** options.
14. Click **Preview** to review the report; when you are finished, click **Close** to close the preview.
15. Click **Print** to print the 1099-MISC form or click **Edit** to make additional adjustments to an individual vendor's 1099 information before printing.

Multicompany

The 1099s are generated for vendors within the active company only; you must perform this process within each company.

Form 1099 Processing Toolbar Options

Toolbar Button	Description
Generate Work File	Click to generate a work file that contains a "snapshot" of all the pertinent 1099 data for the vendor processing.
Edit	Click to open the 1099 Form Editor, from which you can edit or print forms for individual vendors. This field is enabled after you successfully generate a work file. You can edit any data on this form by selecting the information and entering the changes. Use the record selector at the top of the form to scroll to the next vendor's 1099.
Electronic Filing (Magnetic Media)	Click to open the Form 1099 Electronic Filing (Magnetic Media) Reporting Form. This transfers the 1099 data from the work file into the IRSTAX file for electronic filing to the Federal government.
Verify Payments	Use the Verify Payments option to review vendors who have a discrepancy between processed payments for 2013 and the amount that currently displays in the Paid Last Year field in the Vendor Info Center.
Print	Click to preview or print 1099s for all vendors in the work file not marked on the Form 1099 Editor to be excluded from 1099 reporting. Options are: <ul style="list-style-type: none"> ▪ Advanced Printing — Select to open the Form 1099 Advanced Printing Options and set layout, sort, and margin options. ▪ Preview 1099 Form — Select to open the 1099 form in a preview page window. From this window you can review, download, print, or email the report using preview page options. ▪ Print 1099 Form — Select to open the Print dialog box and select your printing options.

Printing Multiple Copies

To print the 1099s multiple times, complete the following steps:

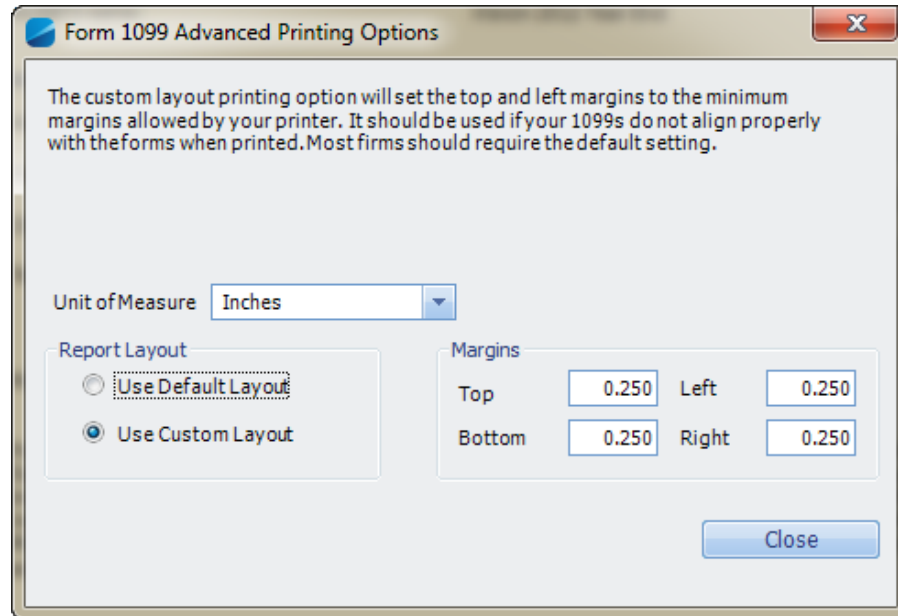
1. Click **Accounting » Accounts Payable » Form 1099 Processing**.
2. Click **Print » Print 1099 Form**.
3. On the Print dialog box, select the **Number of copies to print** option and specify the number that you need.

Form 1099 Advanced Printing Options

When printing your company's 1099 forms, you can use the Advanced Printing Options dialog box to adjust margins if the forms do not align properly.

To access this dialog box, click **Accounting » Accounts Payable » Form 1099 Processing**, and select **Print » Advanced Printing** from the toolbar. This allows you to adjust the 1099 layout to fit the actual 1099-MISC form to your printer.

- If you have alignment issues, you can change the margin settings. Select **Use Custom Layout** and specify the new margins. Custom margin settings only apply if the **Use Custom Layout** option is selected.



- If you do not have alignment issues, you can use the **Default Layout** option. You can also specify the **Unit of Measure** (in 6.x versions). See the example below.

If you continue to have alignment issues, complete the following steps:

1. Re-load the reports to confirm that you are working with the current forms.
2. Click **Utilities » Report Administration**.
3. On the Load Reports tab, set the **Report Type** to **Standard**.
4. Select the **Delete existing reports in each folder before loading** option.
5. Click **Load Reports**.

1099 Work File Tips

- You can re-generate the work file for the selected 1099 year at any time by selecting **Generate Work File** again. If you do this, Vision overwrites all of the 1099 information (created the last time you generated the 1099 work file), including overriding any manual changes made using the Form 1099 Editor in the previously generated in the 1099 work file.
- If you generate a 1099 work file prior to completing all Accounts Payable processing in the current 1099 year, you must generate a new 1099 work file to include any updates since the last time the file was generated (to include the updated information). If you do not re-generate the work file, your changes will not be reflected in the current 1099 work file unless you manually update the information via the Form 1099 Editor.
- Currently the **Gross Proceeds paid to Attorney** box 14 and **Rents** box 1, you must enter these amounts manually on the 1099-MISC form.
- Currently, Vision only prints on the 1099-MISC form.

- If, after reporting the 1099s to the Government, you realize that you must void a 1099, you can use the **Void** option at the top of the Form 1099 Editor.
- If you select the **Exclude this vendor from 1099 reporting** option on the Form 1099 Editor form, Vision does not include the 1099 Form in the work file. This may be useful if there are any miscellaneous vendors with Accounts Payable information that you do not need to report.

Electronic Filing (Magnetic Media) for 1099s

Federal Electronic Filing

Vision 1099s Electronic Filing (Magnetic Media) conforms to Federal Electronic Filing guidelines and for the states that comply with these guidelines.



See the electronic filing guidelines at <http://www.irs.gov> and <http://www.ssa.gov>.

Transfer 1099 Information to Electronic Filing Format (Magnetic Media)

To transfer 1099 information to electronic filing format, complete the following steps:

1. Complete the steps in the “Print 1099-MISC Forms” section.
2. Click **Accounting » Accounts Payable » Form 1099 Processing » Electronic Filing (Magnetic Media)**.
3. Verify that all 1099 information generated for the vendors is correct. If necessary, manually edit the 1099 work file. Vision does not verify the accuracy of information in the 1099 work file. You must review all 1099 information and make any necessary changes for individual vendors using the Form 1099 Editor prior to creating the Electronic Filing (Magnetic Media) file.
4. Select **Electronic Filing (Magnetic Media)** on the Form 1099 Processing toolbar. Vision displays the Form 1099 Electronic Filing (Magnetic Media) dialog box. See the field descriptions in the table below.
5. Enter the active company’s information in the fields on the Form 1099 Electronic Filing (Magnetic Media) Form.
6. When you finish, click **Create File**.
7. When the export completes, Vision displays a dialog box that indicates the number of records exported. Click **OK** and wait for the File Download dialog box to display.
8. When the File Download dialog box displays, choose a location to save the file, then click **Save**. After the download is complete, click **Cancel** to close out of the Electronic Filing (Magnetic Media) window.

Do not change the name of this file, which should be **IRSTAX**. Refer to IRS Government publications for additional information.

Form 1099 Processing Toolbar Options

Toolbar Option	Description
Processing 1099 Year	This field displays the 1099 Processing Year that was selected when the work file was created.
File Name	Enter the name and path of the Electronic Filing (Magnetic Media) file. The default name for this file is IRSTAX .
Contact Name	Enter the name of the person to be contacted by the Government concerning processing questions.
Contact Phone Number	Enter the contact's telephone number, including area code.
Contact Phone Extension	Enter the contact's phone extension.
Contact Email Address	Enter the contact's email address.
Transmitter Control Code	Enter the five-digit number that the Internal Revenue Service provided for use in Electronic Filing (Magnetic Media) reporting.
Transmitter Media Number	When filing by Electronic Filing (Magnetic Media), enter the number used to identify a particular piece of media. If the media number is not available, this field can stay empty.
Payer Name Control	Enter this information from the label on the 1099 package that is mailed to most Payers each December. If the Payer Name Control is unavailable, this field can stay empty.
Payer Office Code	Enter the office code, if any, of the Payer.
Last Filing Indicator	Select this option if this is the last year that the Payer and this tax identification number combination are filing information returns electronically, magnetically, or on paper.
Test File Indicator	Select this option if this is a test file.
Replacement File Indicator	Select this option if this file is sent as a replacement for a file that the IRS/MCC notified you cannot be processed, or that the FIRE System rejects under File Status.
File Name for a Replacement File	If an electronic file is rejected under File Status, enter the original or correct electronic file name assigned by the IRS electronic FIRE System.
Replacement Alpha Character	This field is required for replacement files. Enter the character that is after the TCC number on the Media Tracking slip (Form 9267).
Create File	Click this button to create the file you will send to the Government. Vision creates the file in the location specified in the File Name field.

Toolbar Option	Description
Cancel	Click this button to cancel without creating the file.

Chapter 8: Payroll



Perform the procedures in this chapter only **after** you complete all Payroll processing for 2013.

Payroll Checklist

Refer to the following checklist to ensure that you perform all required Payroll activities in the recommended order.

Step	Description	Done?
1.	Complete all Payroll year-end payment processing and adjustments for 2013.	
2.	Create a backup of the database.	
3.	Install Vision 2013 Year-End Update. For Deltek First Vision Essentials SaaS customers, the Year-End Update is scheduled and installed by Deltek Cloud Operations. The timing and specifics of this update will be communicated to the SaaS Administrators within Deltek First Vision Essentials SaaS organizations.	
4.	Verify withholdings and contributions to be reset for new W-2 year.	
5.	Run the Open New W-2 Quarter utility. Since Vision is in the 4th quarter, it automatically opens a new W-2 Quarter/Year.	
6.	Run Form W-2 Processing.	
7.	Confirm W-2 totals in Vision.	
8.	Print W-2s. If applicable, generate the Electronic Filing (Magnetic Media) file.	
9.	Generate the W-3 Worksheet, to fill out the W-3 form manually.	

Payroll Year-End Processing and Adjustments

With multi-period processing, Payroll is accessible in prior periods. Once the New W-2 Quarter/Year is opened, regular type Payroll runs, regardless of the period/year in which they are processed, are associated with the new W-2 quarter/year. For this reason, it is important that you not open the New W-2 quarter/year until all Payroll payment processing and Payroll adjustments are completed in the prior year first.

Updating the FICA Tax Rates and Wage Base

Deltek recommends that you use the **System** method for the FICA Withholdings (FICA-OASDI and FICA-HI). To review the FICA withholding codes, click **Configuration » Payroll » Withholding Codes**. The FICA Old-Age, Survivors, and Disability Insurance (FICA-OASDI) **wage base is \$110,100** for 2014. To receive the updated FICA tax rates and wage base limits, you must install the Vision Year-End Update. After the Year-End Update is installed, no manual

changes are necessary for FICA withholdings. See “Installing the 2013 Year-End Update” on page 8 for related information.

Verifying that Withholding and Contribution Limits will be Reset for the New W-2 Year

You must verify withholding and contribution codes if their values should be reset to zero for the new calendar year. If you do not reset the limits, Vision continues to accumulate amounts until the limit is reached, instead of starting at zero for the new calendar year. For example, 401(k) plan limits and amounts should generally be reset each year.

To reset limits for withholding and contribution codes, complete the following steps:

1. Click **Configuration » Payroll » Withholding Codes**.
2. Edit withholding codes and then select **Reset limit at time of W-2 initialization**.
3. Click **Save**.
4. Repeat steps 1-3 for the contribution codes.

Verifying the 401(k) Withholding Code Limit

The 401(k) limit can be set as a default for all employees in the **Overall limit** field on the 401(k) withholding code. By using this option, you do not have to add this limit to each employee’s Info Center record. However, for employees who have a separate limit, you can enter it on that employee’s record (click **Info Center » Employee » Payroll** tab, and use the Withholding grid). The amount that you enter in the **Limit** column on the employee record overrides the **Overall** limit on the 401(k) withholding code in Configuration.

- For employees under the age of 50, the 2014 401(k) limit is \$17,500.
- For employees over age 50 who want to do catch-up, the 2014 401(k) limit is \$23,000.



For more information about withholdings and contributions, see the Vision Online Help.

For more information on 401(k) limits, see the IRS website at: <http://www.irs.gov/>.

Verify the Default 401(k) limit in Configuration

To verify the default 401(k) limit, complete the following steps:

1. Click **Configuration » Payroll » Withholding Codes**.
2. Select the line for 401(k).
3. Click **Edit**.
4. Review the limit in the **Overall Limit** field for all employees who use this withholding code and change it if necessary.
5. Click **Save**.

Verify an Employee’s 401(k) limit in the Employee Info Center

To verify an individual employee’s 401(k) limit, complete the following steps:

1. Click **Info Center » Employee » Payroll** tab.

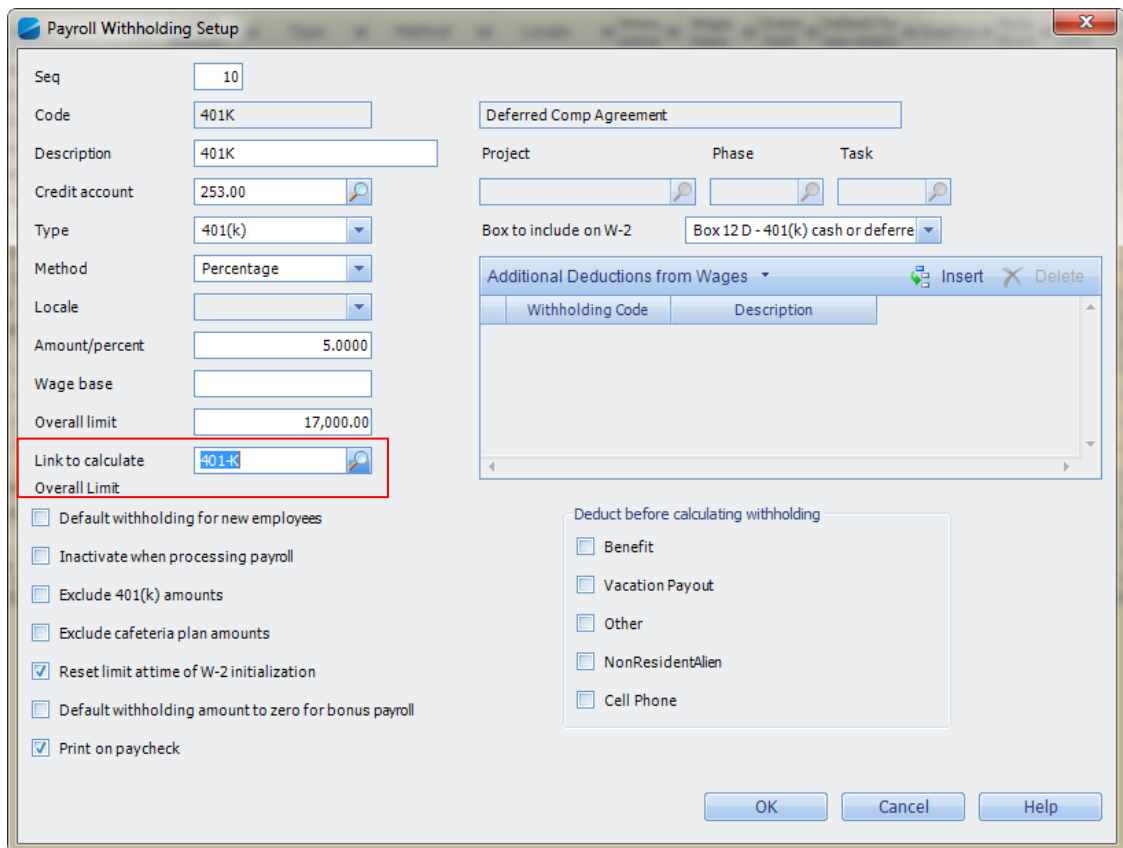
2. Select the withholding code.
3. Review the amount in the **Limit** column and change it if necessary.
4. Click **Save**.

Link 401(k) Withholding codes

Vision can accommodate a combined limit for two separate withholding codes. If the employees have two 401(k) withholdings for example, one 401(k) is a percentage, and another 401(k) is a flat amount, you can link this limit for a combined limit for both withholdings.

To link 401(k) withholdings, complete the following steps:

1. Click **Configuration » Payroll » Withholding Codes**.
2. Select the withholding code that you want to link.
3. Click **Edit**.
4. Click the **Link to calculated Overall Limit** option.
5. Click the Find icon to link the other withholding code. See the following example.



Opening a New W-2 Quarter /Year

You must open a new W-2 quarter/year after the last Payroll and all benefit adjustments of 2013 have been completed, and before processing the first Payroll of 2014.

You must open a New W-2 quarter/year to track any data accumulated by Vision Payroll. When you do so, Vision resets all employees' year-to-date Payroll information to zero and starts tracking Payroll data for the new calendar year.

Perform the Open New W-2 Quarter/Year procedure only once. If you perform this step more than once, it will be necessary to restore from a backup copy of your database. The Open New W-2 Quarter/Year utility displays the date on which it was last run; please make note of that date.

Multicompany

You must run the Open New W-2 Quarter/Year utility separately for each company. This utility only initializes for the active company. See the Vision Online Help for more information.

To open a new W-2 Quarter/Year, complete the following steps:

1. Click **Utilities » Open New W-2 Quarter**. Vision displays a dialog box reflecting the current and next applicable W-2 Quarter/Year. See the example below.
2. After verifying the dates, click **OK**.

Audit Trail Implications

When you open a new W-2 quarter, Vision records the opening of the quarter on the Posting Log Review report (**Transaction Center » Posting Review Report**). The entry appears as an **AL** transaction type, indicating an audit log posting. This information is useful as an audit trail for all changes that updated your database during a specific period. The transaction appears in the period in which the action was performed.

Form W-2 Processing Checklist

Refer to the following checklist to ensure that you perform all required W-2 processing activities in the recommended order.

Step	Description	Done?
1.	Enter employee information on the Form W-2 Processing Form.	
2.	Enter the employer state tax identification numbers for state withholdings where state taxes were withheld for the employees.	
3.	Generate the W-2 work file to review the data that will be used on the W-2.	
4.	If necessary, edit the work file using the Form W-2 Editor.	
5.	Print or print preview W-2 forms for desired employees.	
6.	If required, generate the Electronic Filing (Magnetic Media) file.	
7.	Generate the W-3 Worksheet, to fill out the W-3 form manually.	

Form W-2 Processing

The W-2s are used to report each employee's earnings and tax withholdings for the calendar year. Almost all firms use six-part W-2s. Distribute the six copies as follows:

Copy	Distribute to
A	Social Security Administration
B	The employee, for the employee's federal tax return
C	The employee, for the employee's records
D	The employer, for the employer's records
1	The employee, for the employee's state, city, or local taxes
2	The employer, for the employer's state, city, or local taxes

W-2 Processing Guidelines

The IRS requires that you file a W-2 for an employee if your firm paid the employee any amount during the year, or if you withheld income tax, Medicare, or Social Security for the employee.

When an employee leaves the firm, your firm is obligated to supply the employee with a W-2 within 30 days if the employee requests one. You can produce W-2s at any time during the year without affecting the database. You can print W-2s for as many or as few employees as needed.

W-2 Printing Guidelines

Vision prints on the W-2 form 2-per-page form or the 2-Up form exclusively. Print the 2013 W-2 forms after installing the Year-End Update. You can also print W-2 forms for prior years, if necessary. Deltek performs all printing tests using Laser and Inkjet printers. Because Laser and

Inkjet printers do not accommodate carbon copy forms, you can print only one copy of the W-2 form during a single print run. Therefore, you must print multiple copies (see below).

Deltek recommends ordering W-2 forms through supported Deltek vendors. See Chapter 2 for information about ordering forms.

Printing a Test Run

Before printing a final set of W-2s, you should print a test run. The test run confirms that all of the W-2s print correctly and that all W-2s are properly aligned. Deltek recommends that you perform this step well in advance of your final W-2 run. To print a test run, print the W-2s on plain paper, and then hold the paper over the actual forms to verify the layout.

Printing W-2 Forms

To print W-2 forms, complete the following steps:

1. Confirm that all Payroll processing and adjustments for the 2013 W-2 year are complete.
2. Confirm that the 2013 Year-End Update is installed. To do this, click **Help » About » Details**, and verify that it displays **Deltek Vision 2013 Year-End Update**.
3. Create a backup of the database.
4. Click **Human Resources » Payroll » Form W-2 Processing**.
5. Select the appropriate **W-2 Year** for processing. The **Processing W-2** year field defaults to the W-2 year currently open. W-2 generation process uses data from the W-2 year setting, so it is important to select the appropriate year prior to generating a W-2 work file.
6. Enter the **Employer** information and verify the **FICA** settings for the W-2 year.
7. Select **State IDs** from the toolbar. See the field descriptions in the table below.
8. Click **Insert** to enter the State and the Employer's State Tax I.D. for all states for which you have withheld state taxes for employees. Click **Close**.



Vision checks the **FICA Taxable** and **Withheld** amounts when generating the W-2 work file. If the amounts in Box 4 (Social Security Tax Withheld) and Box 6 (Medicare Tax Withheld) do not equal the amount expected based on actual taxable earnings times the appropriate percentages in the FICA settings, Vision displays a warning message.

If this warning displays, you should investigate the reason for the difference between the actual and expected amounts and take the appropriate steps to resolve the discrepancy. If necessary, you can use the Form W-2 Editor to change the values only in the employee's W-2 form. See the Vision Online Help for more information.

9. Select **Generate Work File** to create a W-2 work file. Click **Yes** to confirm generating the work file.
10. Once completed, click **OK**. If a W-2 work file already exists for the selected W-2 year, Vision asks if you want to overwrite the existing W-2 work file.
 - Click **Yes** to regenerate the W-2 work file for the selected W-2 year. Any manual edits made to the W-2 work file will be lost. Please note that this does not remove any actual Payroll information, it only deletes the previously processed and manually edited W-2 work file.

- Click **No** to review the previously generated W-2 work file, including any manual edits made to the W-2 work file previously.
11. Click **Print** to preview or print the W-2 form, or click **Edit** to make additional adjustments to an individual employee's W-2 information.

Multicompany

Because W-2s are generated for an employee within the active company only, you must perform this process within each company.

Form W-2 Processing Toolbar Options

Toolbar Option	Description
Generate Work File	Select to generate a work file that contains a "snapshot" of all the pertinent W-2 data from the employee payrolls.
Edit	<p>Select to open the W-2 Form Editor, to edit or print forms for individual employees. This field is only enabled after you have successfully generated a work file. You can edit any data on this form by selecting the information and entering the desired changes. Use the record selector at the top of the form to scroll to the next employee's W-2.</p> <p>Be sure to reprint the W-3 worksheet if you make manual edits to the W-2 work file. Please note that changes made to the W-2 work file only affect the work file, and do not affect the General Ledger, the actual employee Payroll records on file, or the quarter-to-date Payroll reports.</p>
Electronic Filing (Magnetic Media)	Select to open the Form W-2 Electronic Filing (Magnetic Media) Reporting form, which you use to transfer W-2 data from the work file into the W2REPORT file for electronic filing to the Federal Government. Electronic Filing W-2 (EFW2) reporting is not available for clients in Puerto Rico, the US Virgin Islands, Guam, or American Samoa.
State IDs	Select to open the State ID List, to insert state tax identification numbers for states which state taxes were withheld from the employees. Deltek recommends that you establish an ID for each state withholding on file. Be sure to complete this step before generating a W-2 work file.

Toolbar Option	Description
Print	<p>Preview or print W-2s for all employees in the work file not flagged on the Form W-2 Editor to be excluded from W-2 reporting. Options are:</p> <ul style="list-style-type: none"> ▪ Advanced Printing — Select to open the Form W-2 Advanced Printing Options and set layout, sort, and margin options. ▪ Preview W-2 Form — Select to open the W-2 form in a preview page window. From this window you can review, download, print, or email the report using preview page options. ▪ Print W-2 Form — Select to open the Print dialog box and select your printing options. ▪ Preview W-3 Worksheet — Select to open the W-3 Worksheet in a preview page window. From this window you can review, download, print, or email the report using preview page options. ▪ Print W-3 Worksheet — Select to open the Print dialog box and select your printing options.

Printing Multiple Copies

To print the W-2s multiple times, complete the following steps:

1. Click **Human Resources » Payroll » Form W-2 Processing**.
2. Click **Print » Print W-2 Form**.
3. On the Print dialog box, specify the **Number of copies to print**.

Form W-2 Advanced Printing Options

When printing the W-2 forms, you can use the Advanced Printing Options dialog box to adjust margins. To access this dialog box, click **Human Resources » Payroll » Form W-2 Processing** and then click **Print » Advanced Printing** on the toolbar. This allows you to adjust the W-2 layout to best fit the actual W-2 form to your printer.

- If you have alignment issues, select **Use Custom Layout** and specify the margins to customize the printing. Custom margin settings apply only if the **Use Custom Layout** option is selected.
- If you do not have alignment issues, you can use the **Default Layout** option. This is also where you can specify the **Unit of Measure** and the different sorting options. See the example below.
- If you continue to have alignment issues, complete the following steps:
 1. Re-load the reports to confirm that you are working with the current forms.
 2. Click **Utilities » Report Administration**.
 3. On the Load Reports tab, set the **Report Type** to **Standard**.
 4. Select the **Delete existing reports in each folder before loading** option.
 5. Click **Load Reports**.

W-2 Work File Tips

You can re-generate the work file for the selected W-2 year at any time by selecting **Generate Work File** again. If you do this, Vision overwrites all of the W-2 information (created the last time you generated the W-2 work file), including overriding any manual changes made using the Form W-2 Editor in the previously generated in the W-2 work file.

If you generate a W-2 work file prior to completing all Payroll processing in the current W-2 year, you must re-generate a new W-2 work file to include any updates since the last time the file was generated, to include the updated information. Otherwise, these changes will not be reflected in the current W-2 work file without manually updating this information in the Form W-2 Editor.

If, after reporting the W-2s and W-3 to the Government you realize that you must void a W-2, you can select the **Void** option at the top of the Form W-2 Editor.

If you select the **Exclude this employee from W-2 reporting** field at the top of the Form W-2 Editor form, Vision does not include the W-2 Form in the work file. This may be useful if there are any miscellaneous employees with Payroll information that you do not need to report.

Electronic Filing for W-2s

Federal Electronic Filing

Vision W-2 Electronic Filing (EFW2) conforms to Federal Electronic Filing guidelines and for the states that comply with these guidelines.



For additional information, see the section “Changes and Ordering for the 1099-MISC and W-2 Forms” or see <http://www.irs.gov/> and <http://www.ssa.gov>.

Federal Electronic Filing

Vision 1099s Electronic Filing conforms to Federal Electronic Filing guidelines and for the states that comply with these guidelines.



For additional information, see the electronic filing guidelines at <http://www.irs.gov> and <http://www.ssa.gov>.

Transfer W-2 Information to Electronic Format (EFW2)

To transfer W-2 information to electronic format, complete the following steps:

1. Follow steps 1 through 9 in the “Printing W-2 Forms” section.
2. Click **Human Resources » Payroll » Form W-2 Processing**.
3. Verify that all W-2 information generated for your employees is correct. If necessary, manually edit the W-2 work file.
4. Vision does not verify the accuracy of information in the W-2 work file. You must review all W-2 information and make any necessary changes for individual employees using the Form W-2 Editor prior to creating the Electronic Filing (EFW2) file.
5. On the Form W-2 Processing toolbar, select **Electronic Filing**. Vision displays the Form W-2 Electronic Filing form. See the field descriptions in the table below.

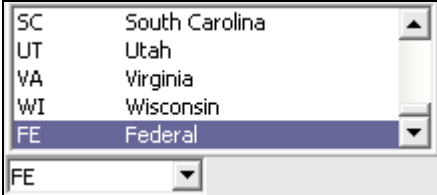
6. Enter your company's information in the fields on the Form W-2 Electronic Filing form.
7. Select the **Electronic Filing Type**. For example, select **FE** for Federal, then select the appropriate state for the file, in a separate run.
8. When finished, select **Create File**.
9. When export of the file is complete, Vision displays a dialog box that indicates the number of records exported. Click **OK** and wait for the File Download dialog box to display.
10. When the File Download dialog box displays, choose a location to save the file, then click **Save**.
11. Once the download is completed, click **Cancel** to close out of the Electronic Filing window. Do not change the name of this file, which should show a file name of **W2REPORT**.



See "SSA Publication Number 42-007 Specifications for Filing Forms W-2 Electronically (EFW2)" for additional information.

Form W-2 Electronic Filing

Field	Description
Processing W-2 Year	This field displays the W-2 Processing Year that was selected when the work file was created.
File Name	Enter the name and path of the Electronic Filing file. The default name for this file is W2REPORT .
User ID	Enter the User ID (Personal Identification Number (PIN)) field. This user identification is provided by the Social Security Administration, for the person responsible for the file and attesting to its accuracy. Typically, this is the same individual who signs the attestation statement on the Form W-3.
Contact Name	Enter the name of the person to be contacted by the Social Security Administration (SSA) concerning processing questions.
Contact Phone Number	Enter the contact's telephone number, including area code.
Contact Phone Extension	Enter the contact's phone extension, if necessary.
Contact Email	Enter the contact's email address, if any. This field is required if you select 1 from the Preferred Method of Notification Code field.
Contact FAX	Enter the contact's FAX number, including area code. This field is for United States and United States territories only.

Field	Description
Preferred Method of Notification Code	<p>Select one of the following codes to indicate how you would like to be contacted with questions:</p> <ul style="list-style-type: none"> ▪ 1 — Email/Internet ▪ 2 — Postal Service
Resub Indicator	Select this option if the file is being resubmitted.
Resub WFID	If you selected the Resub Indicator option, enter in this field the WFID (Wage File Identifier) displayed on the notice sent to you by the Social Security Administration.
Terminating Business Indicator	Select this option if you terminated your business during this tax year.
Electronic Filing (Magnetic Media) Type	 <p>In addition to Federal (FE), Vision currently supports the following states for Electronic Filing (EFW2) (Magnetic Media) format: AL, AR, CO, CT, DC, DE, GA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NJ, NM, OH, OR, PA, RI, SC, UT, VA, WI, and WV.</p>
State Employer Account Number	If you selected a state in the Electronic Filing Type field, enter the identification number assigned to you by your state for the purpose of filing wage and tax reports to State or Local Government Taxing agencies.
Create File	Select to create the file you will send to the Social Security Administration. Vision creates the file in the location specified in the File Name field.
Cancel	Select to cancel without creating the file.

Process a Bonus Payroll

To process a bonus Payroll for an employee, Vision increases an employee's gross pay, and applies the appropriate withholding amounts for the taxes. There are two different ways to process a bonus payroll:

- **Option A** — Use Gross Pay or Net Pay
- **Option B** — Use Other Pay

You should process a taxable bonus before opening the new W-2 Year and before applying the Year-End Update hot fix.

Example

In the following example, we will process a bonus Payroll. The procedure includes the following steps:

- Step I: Set Up or Verify a General Ledger Account
- Step II: Set Up or Verify Default Bonus using Gross Pay (Option A)
- Step III: Set Up or Verify an Other Pay (Option B)
- Step IV: Verify the Withholding and Contribution Codes
- Step V: Determine if Check or Direct Deposit
- Step VI: Processing the Bonus Payroll

Step I: Set Up or Verify a General Ledger Account

To set up or verify a General Ledger account, complete the following steps:

1. Click **Info Center » Accounts » Chart of Accounts**.
2. In the **Find** field in the upper right corner, click the Find icon. Review the current accounts to see if you have existing accounts that can be used for this bonus Payroll or if you need to set up a new General Ledger account.
3. If you need to set up a new General Ledger account, click **New » New Account**. Vision displays a blank form for creating a new record.
 - a. In the **Account Number** field, enter an indirect account (a 700.00 level account from the Standard Chart of Accounts).
 - b. In the **Name** field, enter an account name.
 - c. Enter the **Type** of account. In this example, we will use a 730.00 account named Bonus. See the example below.
 - d. In this example we are selecting the account type of indirect. However, you should check with your tax advisor for the correct account to use for recording this bonus.
 - e. Click **Save**.

Step II: Set Up or Verify a Bonus using Gross Pay – Option A

When processing a Run Type of Bonus, you can use the **Gross Pay** field or the **Net Pay** field for the bonus pay amount. If you choose this option (Option A), follow the items below for Step II. If you want to use an Other Pay for the bonus pay amount option (Option B), skip to Step III.

To set up or verify a bonus using gross pay, complete the following steps:

1. Click **Configuration » Payroll » General** tab.
2. In the **Bonus Cost** section, enter the indirect account enter 730.00 (the account specified in Step I for the General Ledger account). For access to the Account List Lookup, click the Find icon in this account field.
3. In this example we are selecting the account type of indirect. However, you should check with your tax advisor for the correct account to use for recording this bonus.
4. In the **Project** field, enter an overhead project number (and phase or task if required). For access to the Project List Lookup, click the Find icon in this field.
5. Click **Save**. See the example below.

Payroll Setup

Save Help

General Checks FICA **Other Pay Setup**

Current W-2 Year: 2010 Current W-2 Quarter: 4

Payroll Frequency: Weekly

Bank Code: Baybank - Boston

Post net payroll directly to bank

Salaries Payable Account: 231.00

	Account	Project	Phase	Task
Bonus Cost	703.01	100	000	

Direct deposit for bonus/adjustments

Allow changes to payroll history

Enable date ranges for regular hours and overtime hours

Allow Project's tax locale to be overridden on timesheet

Step III: Set Up or Verify an Other Pay – Option B

When processing the bonus run, you can use the Other Pay field for the bonus pay amount. If you choose this option (Option B), follow the items below for Step III. If want to use a Run Type of Bonus, using the Gross Pay or Net Pay for the bonus pay amount (Option A), return to Step II.

To set up or verify a bonus using other pay, complete the following steps:

1. Click **Configuration » Payroll » Other Pay Setup** tab.
2. In the **Other Pay** sections enter or verify one of the five **Other Pay** fields and enter a description such as Bonus.
3. In the indirect account enter 730.00 (the account specified in Step I for the General Ledger account). For access to the Account List Lookup, click the Find icon in this account field.
4. In this example we are selecting the account type of indirect. However, you should check with your tax advisor for the correct account to use for recording this bonus.
5. In the **Project** field, enter an overhead project number (and phase or task if required). For access to the Project List Lookup, click the Find icon in this field.
6. Click **Save**. See the example below.

Payroll Setup

Save Help

General Checks FICA **Other Pay Setup**

	Label	Account	Project	Phase	Task
Other Pay 1	Bonus	703.01	100	000	
Other Pay 2	Other Pay 2	735.00	200	000	
Other Pay 3	Other Pay 3	702.00	1000	001	
Other Pay 4					
Other Pay 5					

Step IV: Verify the Withholding and Contribution Codes

When processing with a Run Type of Bonus, only the Withholding and Contribution codes selected to be applied during a Bonus Payroll will be calculated on the Bonus Payroll run. When using an Other Pay for the bonus, you can have Vision calculate on a Bonus run type or a Regular run type. If you specify a Regular run type, Vision calculates all of the normal withholdings and contributions on the Payroll run.

To verify the withholding and contribution codes, complete the following steps:

1. Click **Configuration » Payroll » Withholding Codes**.
2. Select the **Withholding Code** that you want to view.
3. For any withholdings not to be calculated on this bonus run, select the **Default to zero for bonus** option. See the example below.

Se	Code	Description	Credit Account	Type	Method	Locale	Amou perce	Wage base	Overs limit	Default for reg emp	Inactive	Exclu 401k	Exclu cafet	Rate limit	Default to zero for bonus	Print	W-2 Box	Project
1	125/CAFE	125/cafeteria	235.00	Cafeteria	Amount					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Box 12 A - Un	
1	FXL	Fix Local Wage	250.00	Other	Amount					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None	
1	FXL_FWH	Fix Local Wage	250.00	Other	Amount					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None	
1	NEGATIVE	Negative Limit Test	232.00	Other	Amount					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None	
1	OTHER	Other used to inc or dec	232.00	Other	Amount					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None	
1	WASH_FED	Fix Federal wages	250.00	Other	Amount					<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None	
1	WI-HSA	Wisconsin HSA	236.00	Other	Amount					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None	
2	401KCONVER	401 (k) Cont.	237.00	401(k)	Percentage		15,000	16,500		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Box 12 D - 40	
2	MSKEL	TEST for Insurance	232.00	Other	Amount					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Box 12 C - Co	
4	FICA - HI	FICA - HI	232.00	FICA-HI	System					<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N	
4	FICA-OASDI	FICA - OASDI	232.00	FICA-OASDI	System					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N	
6	FEDERAL	Federal	233.00	Federal	System	FE				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
10	401K	401K	250.00	401(k)	Percentage		5,000	17,000		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Box 12 D - 40	
23	AZ	AZ	237.00	Cafeteria	None					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Box 14 - Othe	
30	FLORIDA	FL	232.00	Local	None	OHLOCAL				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Local	
34	TX	TX	252.00	State	Percentage	TX				<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	State	
50	CA	California State Tax	234.00	State	System	CA				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	State	
50	CT	Connecticut State Tax	234.00	State	System	CT				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	State	
50	GA	Georgia	232.00	State	System	GA				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	State	
50	LA	Louisiana	234.00	State	System	LA				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	State	

4. Repeat steps 1-3 for each withholding code you do not want to deduct during the Bonus Payroll run.
5. Click **Save**.
6. If Contribution Codes are applicable, click **Configuration » Payroll » Contribution Codes**.
7. Select the **Contribution Code** that you want to view.
8. For any contributions not to be calculated on this bonus run, select the **Default to zero for bonus** option.

9. Repeat steps 6-8 for each contribution code that you do not want to deduct during the Bonus Payroll run.
10. Click **Save**.

Step V: Determine if Check or Direct Deposit

By default, the Bonus Payroll run prints checks.

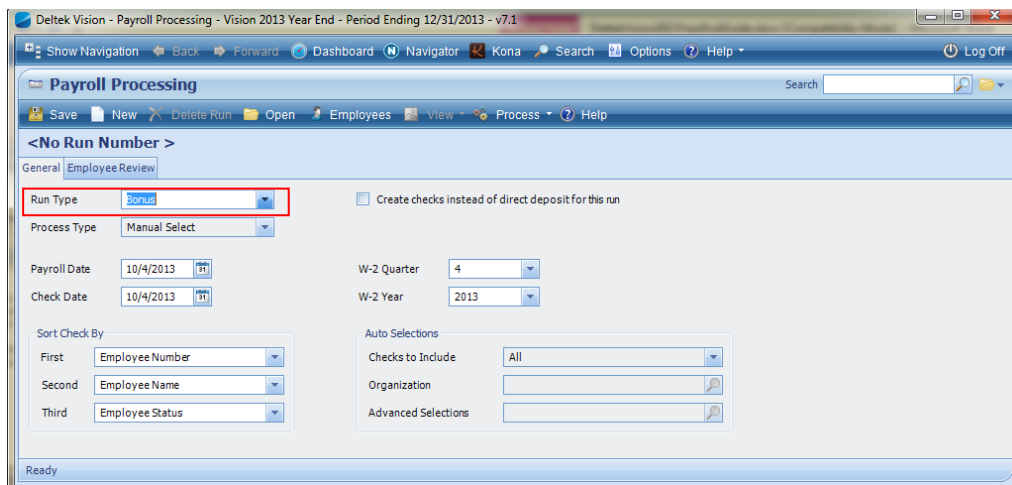
To specify that bonus checks are to be direct deposited, complete the following steps:

1. Click **Configuration » Payroll » General** tab.
2. Select the **Direct deposits for bonus / adjustments** option.
3. Click **Save**. Since this is a change under Configuration, you need to log out and log back into Vision for the full settings to take effect.

Step VI: Processing the Bonus Payroll

To process the bonus payroll, complete the following steps:

1. Click **Human Resources » Payroll » Payroll Processing** to start a new Payroll run.
2. Select **New** to open a new run or, if you previously worked on the run, select it and click **Open**. The run opens on the Payroll Processing form.
3. Enter the **Check** and **Payroll Dates** that this run covers.
4. Set the **Run Type** to **Bonus**. Vision defaults the **Process Type** to **Manual Select**. You can only run a Bonus Payroll for manually selected employees. When using an Other Pay type for the bonus, Vision can calculate a Bonus type or a Regular type. However, for a Regular run type, Vision calculates all of the normal withholdings and contributions on the Payroll run.



In the **Find** field in the upper right corner, enter the employee name or ID, or click the Find icon to search for the employee's record. If an employee is already selected in another pending Payroll run, you cannot include that employee in this bonus run until the prior pending run is completed.

5. Select the **Include in Run** option. See the example below.

The screenshot shows the 'Payroll Processing' application window. The title bar indicates 'Payroll Processing' and 'Run Number 40'. The menu bar includes 'Save', 'New', 'Delete Run', 'Open', 'Employees', 'View', 'Process', and 'Help'. The 'Employee Review' tab is selected, displaying the following information:

- Include in Run
- Employee TINAB Barrtetts, Tina
- Table:

	Regular	Overtime	Total
Gross Pay	1,670.37		1,670.37
- Bank Code: Checking Account
- Pay Rate: 5,000.00 per Period
- Overtime Percent: 150
- Net Pay: 1,000.00 Net to Gross
- Bonus: 0.00

6. Enter the bonus pay amount in one of the following fields:
 - **Option A**
 - **Gross Pay** field — If you enter the bonus pay amount in the **Gross Pay** field, Vision posts the amount to the account specified in the **Bonus Cost** field from Step II. Vision records the pay as Bonus Pay for the employee.
 - **Net Pay** field — If you select the **Net to Gross** option, you can enter an amount in the **Net Pay** field and Vision automatically calculates the **Gross Pay**, **Withholding**, and **Contributions** amounts. Vision records the pay as Bonus Pay for the employee.
 - **Option B**
 - **Other Pay** field — If you enter the bonus pay amount in one of the **Other Pay** fields, Vision records the pay as Other Pay for the employee.
7. Verify and modify the employee's withholding and contribution information. Only withholdings and contributions set up to be applied during bonus Payrolls have associated amounts. See Step IV for additional information. Federal Withholding taxes calculate at a higher rate with bonus Payrolls. For additional information, review the Vision Online Help or review the "Why is the Federal Withholding so high for the bonus run?" section in the *Vision Frequently Asked Questions* document.
8. Click **Save**.
9. If more than one employee was selected for this process, use the arrow buttons to scroll to the next record. Repeat the preceding steps for each employee to be included.
10. Click **Process » Draft Run**. Review the Draft Payroll Journal for this bonus Payroll run and then close the report.
11. Modify any bonus paychecks or direct deposits as needed.
12. Click **Process » Payroll Checks**. Click **Yes** and click **Yes** again to continue.
13. Select **Preview Checks**, and then select **Print Checks** if applicable.
14. Select **Assign Numbers**, enter the check or direct deposit number, select **Assign**, and then click **Yes**.
15. Select **Post**, click **Yes**, and then click **OK**.
16. If applicable, process the Payroll direct deposits for this bonus run.

Additional Taxable Income in the Form of a Benefit

To process additional taxable income in the form of a benefit, Vision increases an employee's gross pay, applying the appropriate withholding for any selected Federal (including FICA), State, City and Local taxes. This is also known as an "in and out" pay; the employee does not receive the amount of the benefit, although taxable earnings are increased by the amount of this benefit.

Because the following procedures combine the additional taxes with those withheld from the standard Payroll check or direct deposit amount, you should process this taxable benefit income before completing the final payroll for 2013.

Example

A company car, moving expenses, or life insurance premiums over \$50,000 are examples of this type of benefit. In the following example, we will process a company car benefit. The procedure includes the following steps:

- Step I: Set Up or Verify a General Ledger Account.
- Step II: Set Up or Verify a Withholding Code.
- Step III: Set Up or Verify an Other Pay.
- Step IV: Update the Employee Info Center record.
- Step V: Processing the Taxable Benefit.
- Step VI: After Processing.
- Step VII: Reclassify the Payroll Expense to Recognize the Original Expense.

Step I: Set Up or Verify a General Ledger Account

To set up or verify a General Ledger account, complete the following steps:

1. Click **Info Center » Accounts » Chart of Accounts**.
2. In the **Find** field in the upper right corner, click the Find icon. Review the current accounts to see if you have existing accounts that can be used for this taxable benefit or if you need to set up a new General Ledger account.
3. If you need to set up a new General Ledger Account, click **New » New Account**. Vision displays a blank form for creating a new record.
 - a. In the **Account Number** field, enter a liability account (a 200.00 level account from the Standard Chart of Accounts).
 - b. In the **Name** field, enter an account name.
 - c. Specify the **Type** of account.
 - d. Click **Save**. In this example, we use a 240.00 account named Benefit Income.
4. In this example we are selecting the account type of liability. You should check with your tax advisor for the correct account to use for recording this benefit.

The screenshot shows the 'Accounts' form for 'Benefit Income'. The 'Number' field contains '240.00', the 'Name' field contains 'Benefit Income', and the 'Type' dropdown menu is set to 'Liability'. The 'Status' is 'Active'. Other fields include 'FAS Depreciation Account', 'Cash Basis Account', and 'Cash Basis Account Name'.

5. Enter an indirect account (a 700.00 level account from the Standard Chart of Accounts) in the **Account Number** field and an account name in the **Name** field. Then specify the **Type** of account. In this example, we will use a 720.00 account named Misc Payroll Expenses. See the example below.
 - To have the amount from the indirect go to the standard payroll expense account, for example the Job Cost Variance account, review the account at **Configuration » Accounting » Company Settings » Posting** tab, **Labor Credit** account.
 - In this example we are selecting the account type of indirect. You should check with your tax advisor for the correct account to use for recording this benefit.

The screenshot shows the 'Accounts' form for 'Misc Payroll Expenses'. The 'Number' field contains '729.00', the 'Name' field contains 'Misc Payroll Expenses', and the 'Type' dropdown menu is set to 'Indirect'. The 'Status' is 'Active'. Other fields include 'FAS Depreciation Account', 'Cash Basis Account', and 'Cash Basis Account Name'.

6. Click **Save**.

Step II: Set Up or Verify a Withholding Code

To set up a withholding code, complete the following steps:

1. Click **Configuration » Payroll » Withholding Codes**.
2. Click Insert and then enter a sequence number that is higher than the 401k, Cafeteria, Federal and FICA and State Withholding codes. For our example, enter Seq 70. See the example below.
3. For our example, enter **Benefits** in the **Code** field. Then enter a description of the withholding code, for example Benefit Income, in the **Description** field.
4. In the **Credit Account** field, enter 240.00 (the account entered in Step I for the General Ledger account). For access to the Account List Lookup, click the Find icon in this credit account field. In this example we are selecting the liability account of 240.00. However, there can be benefits for which you will want to use the same account for the other pay and the withholding code, to create a washing entry for the liability and indirect accounts. Check with your tax advisor for the correct accounts to use for recording this benefit.
5. In the **Type** field, select **Other** from the drop-down list.

6. In the **Method** field, select **Amount** from the drop-down list.
7. Select one of the following actions:
 - If the taxable benefit amount varies among employees, leave the **Amount / Percent** field blank. Enter the amount for each employee in the Employee Info Center.
 - If the taxable benefit amount is the same for all employees, enter the value in the **Amount / Percent** field.
8. Select the **Reset limit at time of W-2 Initialization** option.

The screenshot shows the 'Payroll Withholding Setup' dialog box. The 'Method' is set to 'Amount'. The 'Amount/percent' field is highlighted with a red box. The 'Reset limit at time of W-2 initialization' checkbox is checked and also highlighted with a red box. Other fields include Seq (100), Code (BENEFITS), Description (Benefit Income), Credit account (240.00), Type (Other), Wage base, Overall limit, and various checkboxes for withholding options.

9. Click **OK**, then click **Save**.
10. Verify with your taxing authority whether or not this Withholding code needs to be added to the W-2. If so, select the area of the W-2 and the specific reporting code.

Step III: Set Up or Verify the Other Pay

To set up the other pay, complete the following steps:

1. Click **Configuration » Payroll » General » Other Pay Setup** tab.
2. Select one of the five Other pays, and enter a description in the **Label** field. For our example, we will use Benefit.
3. In the **Account** field, enter indirect account 720.00 (the account entered in Step I for the General Ledger account). To access the Account List lookup, click the Find icon.

4. In this example we are selecting the indirect account of 720.00. However, there can be benefits for which you want to use the same account for the other pay and the withholding code, to create a washing entry for the liability and indirect accounts. Check with your tax advisor for the correct accounts to use for recording this benefit.
5. To have the amount from the indirect expense go to the standard Payroll expense account, for example the Job Cost Variance account (703.00), review the account at **Configuration » Accounting » Company Settings » Posting** tab, **Labor Credit** account.
6. In the **Project** field, enter an overhead project number (and phase or task if required). For access to the Project List lookup, click the Find icon in this field.
7. Click **Save**. Since this is a change under Configuration, you need to log out and log back in to Vision for the full settings to take effect.

Step IV: Update the Employee Info Center Record

To update the Employee Info Center record, complete the following steps:

1. Click **Info Center » Employees » Payroll** tab.
2. In the **Find** field in the upper right corner, enter the employee name or ID, or click the Find icon to search for the employee's record.
3. In the **Benefit other pay** field, enter the value of the benefit. In this example, we entered \$1,000.00. This step increases the gross pay for the employee.
4. Under the Withholding grid, click **Insert** to add the Benefit withholding code entered in Step II. This ensures that the employee does not receive the taxable benefit amount of \$1,000.00 as extra pay, yet is taxed on this benefit.
5. Select one of the following actions:
 - To add the taxable income amount to the employee, select the Benefits withholding code created in Step II. Change the **Method** to **Amount**, and in the **Amount/Percent** field, enter \$1,000.00. This entry directs Vision to withhold the benefit.
 - If you entered an amount for the Benefits withholding code in Step II, confirm that the **Method** of **System** is showing in the withholding grid.
6. Click **Save**.
7. Repeat Steps 1-6 for each employee who is to receive this taxable benefit.

Step V: Processing the Taxable Benefit

To process the taxable benefit, complete the following steps:

1. Click **Human Resources » Payroll » Payroll Processing** to start a new payroll run.
2. Click **New** to open a new run.
3. Enter the **Check** and **Payroll Dates** that this run covers.
4. Set the **Run Type** to **Regular**.
5. Set the **Process Type** to **Manual**.
6. Select the **W-2 Quarter** and **W-2 Year**.
7. Verify that Vision is in the period in which this benefit needs to be posted.

8. If this is a direct deposit employee, select the **Create checks instead of direct deposit for this run** option, if necessary.
9. In the **Find** field in the upper right corner, enter the employee name or ID, or click the Find icon to search for the employee's record. If an employee is already selected in another pending Payroll run, you cannot include that employee in the bonus run until the pending run completes.
10. Select the **Include in Run** option. The following example shows the net pay and total withholdings before adding the Benefits withholding and taxable Benefit income.

The screenshot shows the 'Payroll Processing' window for 'Run Number 4'. The 'Employee Review' tab is active for employee 00002 Bartlett, James. The 'Include in Run' checkbox is checked. The 'Benefit' field is set to 0.00. The 'Withholdings' table is expanded, showing the following data:

Code	Method	Suppressed	Amount/Percent	Current	Override
401KCONVER	Amount	<input checked="" type="checkbox"/>	200.0000	0.00	<input type="checkbox"/>
FEDERAL	System	<input type="checkbox"/>		875.96	<input type="checkbox"/>
FICA - HI	System	<input type="checkbox"/>		72.50	<input type="checkbox"/>
FICA-OASDI	System	<input type="checkbox"/>		210.00	<input type="checkbox"/>
				1,419.38	

The 'Net Pay' is 3,580.62. The 'Benefit' field is 0.00. The 'Withholdings' table shows FICA-HI at 72.50 and FICA-OASDI at 210.00. The 'Contributions' table is empty.

After applying the Benefit other pay and Benefits withholding code, the net pay decreases and total withholdings increase. See the example below. Notice the FICA-HI calculation. It was \$72.50 before and \$87.00 after. The difference is \$14.50 which is 1.45% * \$1,000. FICA-OASDI was \$210.00 before and \$252.00 after. The difference is \$42.00 which is 4.2% * \$1,000. We have accomplished the goal of taxing this benefit.

11. Click **Save**.
12. If more than one employee was selected, use the arrow buttons to scroll to the next record. Repeat the preceding steps for each employee to be included.

The screenshot shows the 'Payroll Processing' window for 'Run Number 4'. The 'Employee Review' tab is active for Employee 00002, James Bartlett. The interface includes fields for 'Regular', 'Overtime', and 'Overtime-2' time and pay hours. The 'Gross Pay' is 5,000.00, and the 'Net Pay' is 4,471.12. A 'Benefit' of 1,000.00 is entered. The 'Withholdings' table is as follows:

Code	Method	Suppressed	Amount/Percent	Current	Override
401KCONVER	Amount	<input checked="" type="checkbox"/>	200.0000	0.00	<input type="checkbox"/>
FEDERAL	System	<input type="checkbox"/>		875.96	<input type="checkbox"/>
FICA - HI	System	<input type="checkbox"/>		87.00	<input type="checkbox"/>
FICA-OASDI	System	<input type="checkbox"/>		252.00	<input type="checkbox"/>
				1,520.66	

The 'Contributions' table is currently empty.

13. Click **Process » Draft Run**. Review the Draft Payroll Journal and then close the report.
14. Modify any paychecks or direct deposits as needed.
15. Click **Process » Payroll Checks**. Click **Yes** and click **Yes** again to continue.
16. Select **Preview Checks** and then select **Print Checks**, if applicable.
17. Select **Assign Numbers**, enter the check or direct deposit number, select **Assign**, and click **Yes**.
18. Select **Post**, click **Yes**, and click **OK**.
19. If applicable, process the Payroll direct deposits for this run.

Step VI: After Processing

This example was for a one-time process. After the Benefit income has been processed, you must enter 0 (zero) in the **Other Pay Benefit** field on the Payroll tab of the Employee Info Center before processing the next Payroll run.

The alternative is to set up a recurring process. For example, you might use a recurring process for living expenses. To do this, set up a prorated amount in one of the Other pay Benefit fields on the Payroll tab of the Employee Info Center.

The benefit for the employer is that paychecks have less fluctuation because Vision calculates the benefit on each check for each pay period, rather than in one lump sum. The benefit for the employee in prorating the amount over several pay periods is that the amount of tax withheld is less noticeable because it is spread over several months.

Step VII: Reclassifying the Payroll Expense to Recognize the Original Expense

To prevent Vision from recognizing the benefit as an additional Payroll expense, a Journal Entry is recommended. You would do this if, for example, in Step III on the other pay the indirect account used was the standard Payroll expense account, such as the Job Cost Variance account (703.00).

To reclassify this Payroll expense, complete the following steps:

1. Click **Transaction Center » Transaction Entry**.
2. From the drop-down list for the **Transaction Type** field, select **Journal Entries**.
3. Click **New**. A New File dialog box displays.
4. Enter a file name (for example, Payroll Expense) and the **End Date**, then click **OK**. The Journal Entry File form displays. (Do not select **Recurring** unless you want to pro-rate the amount, as discussed in Step VI.)
5. Enter a reference number, date, and description.
6. In the **Type** field, select either **Accrual** or **Accrual and Cash**. (This depends on whether your firm is using Cash Basis Accounting.)
7. To move the Payroll expense from the Job Cost Variance Account using an Overhead Project, enter the value of the benefit. In this example, we entered \$1000.00 in the **Debit** field for account 240.00 (the account entered in Step I for the General Ledger account). For access to the Account List lookup, click the Find icon in this field. Then enter 1000.00 in the **Credit** field for account 703.00 (Job Cost Variance Account). This will offset the debit to 703.00 that Payroll produced.
8. To verify the Job Cost Variance Account, click **Configuration » Accounting » Company Settings » Posting** tab, **Labor Credit** account. With the additional **Other Pay** fields, you can use an **Other Pay** field specifically for this purpose. You can map an **Other Pay** field to the same account specified in the withholding for the benefit. Then the other pay and withholding will net to zero on the General Ledger.
9. Click **File » Control Totals**, verify and update the amounts, click **OK**, and then click **Save**.
10. Click **Transaction Center » Transaction Posting**, select this journal entry batch, and then select **Post**.

Additional Part Taxable Income in the Form of a Benefit

To process additional part taxable income in the form of a benefit, Vision increases an employee's gross pay, applying the appropriate withholding for any selected Federal (including FICA), State, City and Local taxes. This is also known as an "in and out" pay, because the employee does not receive the amount of the benefit, although their taxable earnings for the selected taxes are increased by the amount of this benefit.

Because the following procedures combine the additional taxes with those withheld from the standard Payroll check or direct deposit, you should process this part taxable benefit income before completing the final Payroll for 2013.

Example

In the following example, we will process a third party sick pay benefit. The procedure includes the following steps:

- Step I: Set Up or Verify a General Ledger Account.
- Step II: Set Up or Verify a Withholding Code.
- Step III: Set Up or Verify an Other Pay.
- Step IV: Update Tax Withholding Codes to be considered Non-Taxable.
- Step V: Update the Employee Info Center record.
- Step VI: Processing the Part Taxable Benefit.
- Step VII: After Processing.
- Step VIII: Reclassify the Payroll Expense to Recognize the Original Expense.

Step I: Set Up or Verify a General Ledger Account

To set up a General Ledger account, complete the following steps:

1. Click **Info Center » Accounts » Chart of Accounts**.
2. In the **Find** field in the upper right corner, click the Find icon. Review the current accounts to see if you have existing accounts that can be used for this part taxable benefit or if you need to set up new General Ledger accounts.
3. If you need to set up a new General Ledger Account, click **New » New Account**. Vision displays a blank form for creating a new record.
 - a. In the **Account Number** field, enter a liability account (a 200.00 level account from the Standard Chart of Accounts).
 - b. In the **Name** field, enter an account name.
 - c. Specify the **Type** of account.
 - d. Click **Save**. In this example, we will use 240.00 account named Benefit Income.
4. In this example we are selecting the account type of liability. You should check with your tax advisor for the correct account to use for recording this benefit.
5. In the **Account Number** field, enter an indirect account (a 700.00 level account from the Standard Chart of Accounts).
6. In the **Name** field, enter an account name.
7. Specify the **Type** of account. In this example, we will use a 720.00 account named Misc Payroll Expenses. See the example below.
8. To have the amount from the indirect go to the standard Payroll expense account, for example the Job Cost Variance account, review the account at **Configuration » Accounting » Company Settings » Posting** tab, **Labor Credit** account.
9. In this example we are selecting the account type of indirect. You should check with your tax advisor for the correct account to use for recording this benefit.

The screenshot shows the 'Accounts' window with the 'Misc Payroll Expenses' form. The 'Type' dropdown menu is highlighted with a red box and set to 'Indirect'. Other fields include 'Number' (729.00), 'Name' (Misc Payroll Expenses), 'Status' (Active), and 'Detail' (Show Detail).

10. Click **Save**.

Step II: Set Up or Verify a Withholding Code

To set up a withholding, complete the following steps:

1. Click **Configuration » Payroll » Withholding Codes**.
2. Click **Insert** and then enter a sequence number that is higher than the 401k, Cafeteria, Federal and FICA and State Withholding codes. For our example enter **Seq 70**. See the example below.
3. For our example, enter **Benefits** in the **Code** field, and a description of the withholding code, such as **Benefit Income**, in the **Description** field.
4. In the **Credit Account** field, enter 240.00 (the account entered in Step I for the General Ledger account). To access the Account List Lookup, click the Find icon in this field.

The screenshot shows the 'Payroll Withholding Setup' dialog box. The 'Seq' field is 100, 'Code' is BENEFITS, and 'Description' is Benefit Income. The 'Credit account' is 240.00. The 'Type' dropdown is set to 'Other' and the 'Method' dropdown is set to 'Amount'. The 'Reset limit at time of W-2 initialization' checkbox is checked. The 'Additional Deductions from Wages' section is empty.

5. In this example we are selecting the liability account of 240.00. However, there can be benefits for which you will want to use the same account for the other pay and the withholding code, to create a washing entry for the liability and indirect accounts. Check with your tax advisor for the correct accounts to use for recording this benefit.
6. In the **Type** field, select **Other** from the drop-down list.
7. In the **Method** field, select **Amount** from the drop-down list.
8. Select one of the following actions:
 - If the part taxable benefit amount varies among employees, leave the **Amount / Percent** field blank. You can enter the amount for each employee in the Employee Info Center.
 - If the part taxable benefit amount is the same for all employees, enter the value in the **Amount / Percent** field.
9. Select the **Reset limit at time of W-2 Initialization** option.
10. Click **OK**.
11. Click **Save**.
12. Verify with your taxing authority whether or not this withholding code needs to be added to the W-2. If so, select the area of the W-2 and the specific reporting code.

Step III: Set Up or Verify the Other Pay

To set up the other pay, complete the following steps:

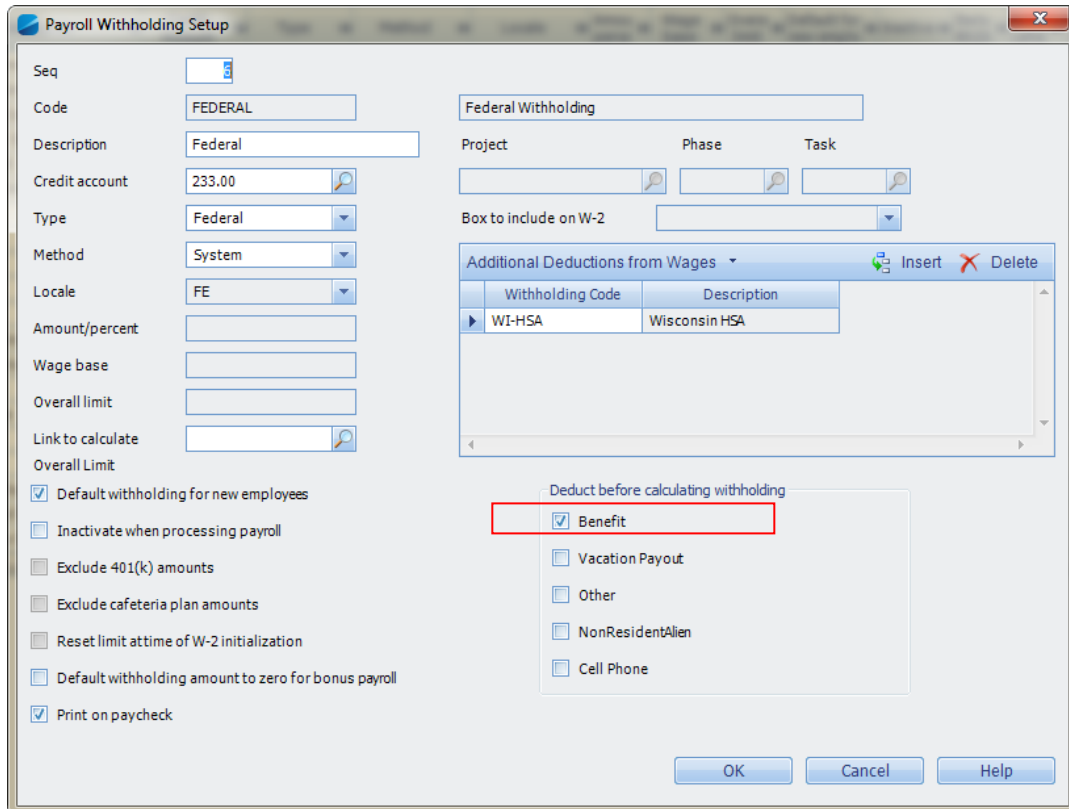
1. Click **Configuration » Payroll » General » Other Pay Setup** tab.
2. Select one of the five Other Pays and enter a description in the **Label** field. For our example, we will use Benefit.
3. In the **Account** field, enter an indirect account enter 720.00 (the account entered in Step I for the General Ledger account). For access to the Account List Lookup, click the Find icon in this field.
4. In this example we are selecting the indirect account of 720.00. However, there can be benefits for which you will want to use the same account for the other pay and the withholding code, to create a washing entry for the liability and indirect accounts. Check with your tax advisor for the correct accounts to use for recording this benefit.
5. To have the amount from the indirect expense go to the standard Payroll expense account, for example the Job Cost Variance account (703.00), review the account at **Configuration » Accounting » Company Settings » Posting** tab, **Labor Credit** account.
6. In the **Project** field, enter an overhead project number (and phase or task if required). For access to the Project List Lookup, click the Find icon in this field.
7. Click **Save**.

Step IV: Update Tax Withholding Codes to be considered Non-Taxable

To update the tax withholding codes to be considered non-taxable, complete the following steps:

1. Click **Configuration » Payroll » Withholding Codes**.

2. In the Withholding grid, select the first tax withholding code to be considered non-taxable. For our example, select the **Federal Withholding code** row and then click **Edit**.
3. On the Payroll Withholding Setup dialog, select the **Benefit other pay** (entered in Step III above) in the **Deduct before calculating withholding** section. Vision deducts this part taxable pay from the employee's gross wages before calculating the additional withholdings. See the example below.



4. Click **OK** to save the change.
5. Repeat steps 1-4 for any applicable Federal (including FICA) State, City, or Local tax Withholding codes that are not to be taxed against this part taxable benefit income amount.
6. Click **Save**. Since this is a change under Configuration, log out and log back in to Vision for the full settings to take effect.

Step V: Update the Employee Info Center Record

To update the employee record, complete the following steps:

1. Click **Info Center » Employees » Payroll** tab.
2. In the **Find** field in the upper right corner, enter the employee name or ID or click the Find icon to search for the employee's record.
3. In the **Benefit other pay** field, enter the value of the benefit. In this example, we entered \$1,000.00. This step increases the gross pay for the employee.

4. Under the Withholding grid, click **Insert** to add the Benefit withholding code entered in Step II. This ensures that the employee does not receive the part taxable benefit amount of \$1,000.00 as extra pay, yet is taxed as selected on this benefit.
5. Select one of the following actions:
 - To add the part taxable income amount to the employee, select the Benefits withholding code created in Step II. Change the **Method** to **Amount**, and in the **Amount / Percent** field, enter \$1,000.00. This entry directs Vision to withhold the benefit.
 - If you entered an amount for the Benefits withholding code in Step II, confirm that the **Method** is set to **System** (as shown in the withholding grid).
6. Click **Save**.
7. Repeat Steps 1-6 for each employee that is to receive this part taxable benefit.

Step VI: Processing the Part Taxable Benefit

To process the part taxable benefit, complete the following steps:

1. Click **Human Resources » Payroll » Payroll Processing** to start a new Payroll run.
2. Click **New** to open a new run.
3. Enter the **Check** and **Payroll Dates** that this run covers.
4. Set the **Run Type** to **Regular**.
5. Select a **Process Type** of **Manual**.
6. Select the **W-2 Quarter** and **W-2 Year**.
7. Verify that Vision is in the period in which this benefit needs to be posted.
8. If this is a direct deposit employee, select the **Create checks instead of direct deposit for this run** option, if necessary.
9. In the **Find** field in the upper right corner, enter the employee name or ID, or click the Find icon to search for the employee's record. If an employee is already selected in a pending Payroll run, you cannot include that employee in this bonus run until the pending run completes.
10. Select the **Include in Run** option. The following example shows the net pay and total withholdings before adding the Benefits withholding and part taxable Benefit income.

General Employee Review

Include in Run Employee 00014 Barrett, Tina

	Regular	Overtime	Overtime-2	Total	Bank Code
Time Hours	50.00	0.00	0.00	50.00	Baybank - Boston
Pay Hours	50.00	0.00	0.00	50.00	Pay Rate 5,000.00 per Period
Gross Pay	5,000.00	0.00	0.00	5,000.00	Overtime Percent 150.00 Overtime-2 Percent 0.00
					Net Pay 3,003.27 <input type="checkbox"/> Net to Gross

Benefit: 0.00 Vacation Payout: 0.00 other: 0.00

Code	Method	Suppressed	Amount/Percent	Current	Override
BENEFITS	System	<input type="checkbox"/>		0.00	<input type="checkbox"/>
FEDERAL	System	<input type="checkbox"/>		1,351.27	<input type="checkbox"/>
FICA - HI	System	<input type="checkbox"/>		72.50	<input type="checkbox"/>
FICA-OASDI	System	<input type="checkbox"/>		310.00	<input type="checkbox"/>
Σ				1,996.73	

After you enter the Benefit other pay amount and the Benefits withholding code amount, the net pay decreases and total withholdings increase. Except for the Federal Withholding, where this was selected as non-taxable, this amount stayed the same. See the example below.

Note the Federal Withholding calculation. It was \$1,351.27 before and \$1,351.27 after, with a difference of zero. We have accomplished the goal of not taxing the Federal Withholding for this benefit amount and the other taxes calculated as desired.

General Employee Review

Include in Run Employee 00014 Barrett, Tina

	Regular	Overtime	Overtime-2	Total	Bank Code
Time Hours	50.00	0.00	0.00	50.00	Baybank - Boston
Pay Hours	50.00	0.00	0.00	50.00	Pay Rate 5,000.00 per Period
Gross Pay	5,000.00	0.00	0.00	5,000.00	Overtime Percent 150.00 Overtime-2 Percent 0.00
					Net Pay 2,873.77 <input type="checkbox"/> Net to Gross

Benefit: 1,000.00 Vacation Payout: 0.00 other: 0.00

Code	Method	Suppressed	Amount/Percent	Current	Override
BENEFITS	System	<input type="checkbox"/>		1,000.00	<input checked="" type="checkbox"/>
FEDERAL	System	<input type="checkbox"/>		1,351.27	<input type="checkbox"/>
FICA - HI	System	<input type="checkbox"/>		87.00	<input type="checkbox"/>
FICA-OASDI	System	<input type="checkbox"/>		372.00	<input type="checkbox"/>
Σ				3,126.23	

11. Click **Save**.
12. If you selected more than one employee, use the arrow buttons to scroll to the next record. Repeat the steps above for each employee to be included.

13. Click **Process » Draft Run**. Review the Draft Payroll Journal for this Payroll run, then close the report.
14. Modify any paychecks or direct deposits as needed.
15. Click **Process » Payroll Checks**, click **Yes**, and then click **Yes** again.
16. Select **Preview Checks** and then select **Print Checks**, if applicable.
17. Select **Assign Numbers**.
18. Enter the **Check / Direct Deposit** number, click **Assign**, and then click **Yes**.
19. Select **Post**, click **Yes**, and then click **OK**.
20. If applicable, process the Payroll direct deposits for this run.

If this Benefit other pay will be used as a taxable pay in the future. Deltek recommends that you clear this Benefit other pay in the tax Withholding codes selected in Step IV.

Step VII: After Processing

This example was for a one-time process. After the Benefit income has been processed, enter **0** (zero) in the **Other Pay Benefit** field on the Payroll tab of the Employee Info Center before processing the next Payroll run.

The alternative is to set up a recurring process. Short term disability is one example where a recurring process might be useful. To do this, set up a prorated amount in one of the **Other pay Benefit** field on the Payroll tab of the Employee Info Center.

The benefit for the employer is that paychecks have less fluctuation because Vision calculates the benefit on each check for each pay period, rather than in one lump sum. The benefit for the employee in prorating the amount over several pay periods is that the amount of tax withheld is less noticeable as it is spread over several months.

Step VIII: Reclassifying the Payroll Expense to Recognize the Original Expense

To prevent Vision from recognizing the benefit as an additional Payroll expense, a Journal Entry is recommended. You might reclassify an expense if, for example, you used the Job Cost Variance account in Step III.

To reclassify this Payroll expense, complete the following steps:

1. Click **Transaction Center » Transaction Entry**.
2. In the **Transaction Type** field, select **Journal Entries** from the drop-down list.
3. Click **New**. A New File dialog box displays.
4. Enter a file name (for example Payroll Expense).
5. Specify the **End Date**.
6. Click **OK**. The Journal Entry File form displays. (Do not select **Recurring** unless you are pro-rating the amount, as discussed in Step VII.)
7. Enter a **Reference number**, **Date**, and **Description**.
8. In the **Type** field, select either **Accrual** or **Accrual and Cash**. (This depends on whether or not your firm is using Cash Basis Accounting.)
9. To move the Payroll expense from the Job Cost Variance Account using an Overhead Project, enter 1000.00 (the value of the benefit) in the **Debit** field for account 240.00 (the

- account entered in Step I for the General Ledger account). For access to the Account List Lookup, click the Find icon in this field. Then enter 1000.00 in the **Credit** field for account 703.00 (Job Cost Variance Account). This will offset the debit to 703.00 that Payroll produced.
10. To verify the Job Cost Variance Account go to **Configuration » Accounting » Company Settings » Posting** tab, **Labor Credit** account. With the additional **Other Pay** fields, you can use an **Other Pay** field specifically for this purpose. You could map an **Other Pay** field to the same account that you specified in the withholding for the benefit. Then the other pay and withholding will net to zero on the General Ledger.
 11. Click **File » Control Totals**.
 12. Verify and update the amounts.
 13. Click **OK** and then click **Save**.
 14. Click **Transaction Center » Transaction Posting** and select this journal entry batch. Then select **Post**.

Additional Non-Taxable Income in the Form of a Benefit

To process additional non-taxable income in the form of a benefit for an employee, Vision increases an employee's gross and net pay by the amount of the benefit, without withholding Federal (including FICA), State, City, and Local taxes. Examples of this type of pay would include, but are not limited to, third-party sick pay, living expenses, or health care benefits.

You must process this non-taxable benefit income before completing the final payroll for 2013.

Example

In the following example we will process a reimbursement third party sick pay. The procedure includes the following steps:

- Step I: Set Up or Verify a General Ledger Account.
- Step II: Set Up or Verify a Non-Taxable Other Pay.
- Step III: Update Federal (including FICA), State, City, and Local tax withholding codes.
- Step IV: Update the Employee Info Center record.
- Step V: Processing the Non-Taxable Benefit.
- Step VI: After Processing.

Step I: Set Up or Verify a General Ledger Account

To set up a General Ledger account, complete the following steps:

1. Click **Info Center » Accounts » Chart of Accounts**.
2. In the **Find** field in the upper right corner, click the Find icon. Review the current accounts to see if you have existing accounts that can be used for this non-taxable benefit or if you need to set up new General Ledger account.
3. If you need to set up a new General Ledger account, click **New » New Account**. Vision displays a blank form for creating a new record.
 - a. In the **Account Number** field, enter an indirect account (a 700.00 level account from the Standard Chart of Accounts).

- b. In the **Name** field, enter an account name.
 - c. Enter the **Type** of account. In this example, we will use a 710.00 account named Other Pay Benefit Income. See the example below.
4. In this example we are selecting the account type of indirect; you should check with your tax advisor for the correct account to use for recording this benefit.

5. Click **Save**.

Step II: Set Up or Verify a Non-Taxable Other Pay

To set up a non-taxable other pay, complete the following steps:

1. Click **Configuration » Payroll » General » Other Pay Setup** tab.
2. Select one of the five Other pays, and enter a description in the **Label** field. For our example, we will use Benefit.
3. In the **Account** field, enter an indirect account 710.00 (the account entered in Step I for the General Ledger account). For access to the Account List Lookup, click the Find icon in this field.
4. In this example we are selecting the account type of indirect; you should check with your tax advisor for the correct account to use for recording this benefit.
5. In the **Project** field, enter an overhead project number (and phase or task if required). For access to the Project List Lookup, click the Find icon in this field.
6. Click **Save**.

Step III: Update Federal (including FICA), State, City, and Local tax Withholding Codes

To update withholding codes, complete the following steps:

1. Click **Configuration » Payroll » Withholding Codes**.
2. In the Withholding grid, select the first tax withholding code. In our example we will select Federal Withholding code row. Then click **Edit**.
3. On the Payroll Withholding Setup dialog box, select the Benefit other pay entered in Step I in the **Deduct before calculating withholding** section. Vision will deduct this non-taxable pay from the employee's gross wages before calculating the additional withholdings. See the example below.

4. Click **OK** to save the change.
5. Repeat steps 1-4 for any applicable Federal (including FICA) State, City, or Local tax Withholding code that is not to be taxed against this benefit income amount.
6. Click **Save**. Since this is a change under Configuration, log out and log back in to Vision for the full settings to take effect.

Step IV: Update the Employee Info Center Record

To update the employee record, complete the following steps:

1. Click **Info Center » Employees » Payroll** tab.
2. In the **Find** field in the upper right corner, enter the employee name or ID, or click the Find icon to search for the employee's record.
3. In the **Benefit other pay** field, enter the value of the benefit. In this example, we entered \$1000.00. This step increases the gross pay for the employee. However, because the Benefit other pay has been selected to be deducted before calculating any applicable Federal (including FICA), State, City or Local tax Withholding codes, the Benefit other pay does not increase the taxable wages for any of these withholding codes.
4. Click **Save**.
5. Repeat steps 1-4 for each employee that is to receive this non-taxable benefit.

Step V: Processing the Non-Taxable Benefit

To process the non-taxable benefit, complete the following steps:

1. Click **Human Resources » Payroll » Payroll Processing** to start a new Payroll run.
2. Click **New** to open a new run.
3. Enter the **Check** and **Payroll Dates** that this run covers.
4. Set the **Run Type** to **Regular**.
5. Set the **Process Type** to **Manual**.
6. Verify that Vision is in the period in which this benefit needs to be posted.
7. If this is a direct deposit employee, select the **Create checks instead of direct deposit for this run** option, if necessary.
8. In the **Find** field in the upper right corner, enter the employee name or ID, or click the Find icon to search for the employee's record. If an employee is already selected in another pending Payroll run, you cannot include that employee in this bonus run until the prior pending run is completed.
9. Select the **Include in Run** option. The Benefit other pay is added to the gross of the employee's pay but does not increase the taxable wages for any selected Federal (including FICA), State, City, or Local tax Withholding codes.

The following example shows the employee's gross pay, net pay, and total withholding amounts before the **Benefit other pay** is applied.

General Employee Review

Include in Run Employee 00014 Barrett, Tina

	Regular	Overtime	Overtime-2	Total	Bank Code	Pay Rate	Overtime Percent	Overtime-2 Percent
Time Hours	50.00	0.00	0.00	50.00	Baybank - Boston	5,000.00 per Period	150.00	0.00
Pay Hours	50.00	0.00	0.00	50.00				
Gross Pay	5,000.00	0.00	0.00	5,000.00				
					Net Pay			3,003.27

Net to Gross

Benefit: Vacation Payout: other:

Withholdings						
Code	Method	Suppressed	Amount/Percent	Current	Override	
BENEFITS	System	<input type="checkbox"/>		0.00	<input type="checkbox"/>	
FEDERAL	System	<input type="checkbox"/>		1,351.27	<input type="checkbox"/>	
FICA - HI	System	<input type="checkbox"/>		72.50	<input type="checkbox"/>	
FICA-OASDI	System	<input type="checkbox"/>		310.00	<input type="checkbox"/>	
				1,996.73		

After the non-taxable Benefit other pay is added, notice that the Federal (including FICA), State, City, or Local tax Withholding amounts are unchanged.

General Employee Review

Include in Run Employee 00014 Barrett, Tina

	Regular	Overtime	Overtime-2	Total	Bank Code
Time Hours	50.00	0.00	0.00	50.00	Baybank - Boston
Pay Hours	50.00	0.00	0.00	50.00	Pay Rate 5,000.00 per Period
Gross Pay	5,000.00	0.00	0.00	5,000.00	Overtime Percent 150.00 Overtime-2 Percent 0.00
					Net Pay 2,950.27 <input type="checkbox"/> Net to Gross

Benefit 1,000.00 Vacation Payout 0.00 other 0.00

Code	Method	Suppressed	Amount/Percent	Current	Override
BENEFITS	System	<input type="checkbox"/>		1,000.00	<input checked="" type="checkbox"/>
FEDERAL	System	<input type="checkbox"/>		1,351.27	<input type="checkbox"/>
FICA - HI	System	<input type="checkbox"/>		72.50	<input type="checkbox"/>
FICA-OASDI	System	<input type="checkbox"/>		310.00	<input type="checkbox"/>
				3,049.73	

10. Click **Save**.
11. If more than one employee is selected for processing, use the arrow buttons to scroll to the next record. Repeat the steps above for each employee to be included.
12. Click **Process » Draft Run**. Review the Draft Payroll Journal for this Payroll run, then close the report.
13. Modify any paychecks or direct deposits as needed.
14. Click **Process » Payroll Checks**, click **Yes**, and then click **Yes** again.
15. Select **Preview Checks**, then select **Print Checks** if applicable.
16. Select **Assign Numbers**.
17. Enter the **Check / Direct Deposit** number.
18. Click **Assign** and then click **Yes**.
19. Select **Post**, click **Yes**, and then click **OK**.
20. If applicable, process the Payroll direct deposits for this run.
21. If this **Benefit** other pay will be used as a taxable pay in the future. Deltek recommends that you clear this **Benefit** other pay in the tax Withholding codes selected in Step III of this process.

Step VI: After Processing

This example was for a one-time process. After the Benefit income has been processed, you must enter **0** (zero) in the other pay **Benefit** field on the Payroll tab of the Employee Info Center before processing the next Payroll run.

The alternative is to set up a recurring process. Living expenses is one example where a recurring process might be useful. To do this, set up a prorated amount in one of the other pay **Benefit** field on the Payroll tab of the Employee Info Center.

The benefit for the employer is that paychecks have less fluctuation because Vision calculates the benefit on each check for each pay a period at a time as opposed to in one lump sum hitting the Income Statement. The benefit for the employee in prorating the amount over several pay periods is that the amount of tax withheld is less noticeable as it is spread over several months.

Chapter 9: Closing the 2013 Fiscal Year

Prior to Closing the Fiscal Year

Make a year-end backup before opening the 2014 fiscal year. Label it clearly (including the date and Vision version number) and keep it on file permanently. Consider storing an additional copy of the year-end backup offsite.

Before closing the fiscal year, complete the following steps:

1. Run the Open New Period utility to open the new fiscal year.
2. If using Vision to calculate overhead for your regular projects, click **Accounting » Overhead Allocation** to run the Overhead Allocation program.
3. If using Vision to calculate revenue, click **Accounting » Revenue Generation**. Then post the resulting Journal Entry file labeled RevGen with the date.
4. If applicable, click **Accounting » Adjust Salary Job Cost** and run the process.
5. If applicable, click **Accounting » Consultant Accruals** and run the process.
6. Print a full batch of the year-end accounting reports, label them Year-End 2013, and keep them in a safe place.

You can complete adjustments in a prior period. However, if those adjustments affect 2013 amounts, you will need to re-run these processes when Vision is in the prior period/year.

Closing the Fiscal Year / Period

Although it is not required that you close a period in Vision, Deltek recommends that you close a period after you process all data and print all reports for the period. This prevents users from posting transactions in the incorrect period / year.

To close the fiscal year, complete the following steps:

1. Click **Utilities » Period Setup**. Vision displays the Period form.
2. Select the **Period** to close.
3. Select the **Closed** option to close the selected period.
4. Click **Save** and exit the Period Setup form.

Audit Trial Implications

When you close a period, Vision records the closing of the period on the Posting Log Review report (**Transaction Center » Posting Review Report**).

The entry appears as an **AL** transaction type, indicating an audit log posting. This information is useful as an audit trail for all changes that updated your database in a specific period. The transaction displays for the period in where the action was performed.

Calendar Year-End Tasks

The beginning of a new fiscal or calendar year is an ideal time to perform the following year-end tasks. Keep in mind however, that these steps can be performed at any time.



Make frequent backups while performing these maintenance steps.

To perform calendar year-end tasks, complete the following steps:

1. Re-evaluate account number ranges for your General Ledger (**Info Center » Accounts » Chart of Accounts**).
2. Review default account mappings (**Configuration » Accounting » Company Settings, Accounts** tab and **Posting** tab).
3. Review Accounts Receivable mapping of accounts (**Configuration » Accounting » Accounts Receivable, Invoice Mapping Accounts** tab and **AR Mapping Accounts** tab).
4. If applicable for your firm, enable Cash-Basis Reporting (**Configuration » Accounting » System Settings » General**). Please note that there are additional steps to activating this feature; see the Vision Online Help for more information.
5. Re-evaluate the Overhead calculations for the new year. Review the Method, Basis, or Overhead Rate (**Configuration » Accounting » Overhead Allocation**).
6. Re-evaluate Billing tables with the rates for the new year. You may also want to change the tables referenced in your Default Billing Terms and the Project Reporting Default Terms (**Configuration » Billing**).
7. Review Consultant Accruals (**Configuration » Accounting » Company Settings, Posting** tab).
8. Review Adjust Salary Job Cost (**Configuration » Accounting » Company Settings, Timesheets** tab).
9. Review Labor Cross Charge (**Configuration » Accounting » Company Settings, Cross Charge** tab).
10. Review Timesheet periods (**Configuration » Time & Expense » Company Timesheet, Calendar** tab).
11. Review the Holiday Calendar for the new year (**Configuration » General » Holiday Calendar**).

Appendix A: Sample IRS 1099 Form

1099-MISC Form example - <http://www.irs.gov/pub/irs-pdf/f1099misc.pdf>

1099-MISC Form processing information - <http://www.irs.gov/pub/irs-pdf/i1099misc.pdf>

9595 <input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED		2012 Form 1099-MISC		Miscellaneous Income	
PAYER'S name, street address, city, state, ZIP code, and telephone no.		1 Rents \$	OMB No. 1545-0115	Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the 2012 General Instructions for Certain Information Returns.	
		2 Royalties \$	3 Other income \$		
PAYER'S federal identification number	RECIPIENT'S identification number	5 Fishing boat proceeds \$	6 Medical and health care payments \$		
RECIPIENT'S name		7 Nonemployee compensation \$	8 Substitute payments in lieu of dividends or interest \$		
Street address (including apt. no.)		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>	10 Crop insurance proceeds \$		
City, state, and ZIP code		11	12		
Account number (see instructions)	2nd TIN not <input type="checkbox"/>	13 Excess golden parachute payments \$	14 Gross proceeds paid to an attorney \$		
15a Section 409A deferrals \$	15b Section 409A income \$	16 State tax withheld \$	17 State/Payer's state no.	18 State income \$	
Form 1099-MISC		Cat. No. 14425J		Department of the Treasury - Internal Revenue Service	
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Appendix B: Sample IRS W-2 Form

W-2 Form example - <http://www.irs.gov/pub/irs-pdf/fw2.pdf>


W-2 Form processing information - <http://www.irs.gov/pub/irs-pdf/iw2w3.pdf>

22222		Void <input type="checkbox"/>	a Employee's social security number		For Official Use Only ▶ OMB No. 1545-0008	
b Employer identification number (EIN)			1 Wages, tips, other compensation		2 Federal income tax withheld	
c Employer's name, address, and ZIP code			3 Social security wages		4 Social security tax withheld	
			5 Medicare wages and tips		6 Medicare tax withheld	
			7 Social security tips		8 Allocated tips	
d Control number			9		10 Dependent care benefits	
e Employee's first name and initial		Last name	Suff.	11 Nonqualified plans		12a See instructions for box 12
f Employee's address and ZIP code			13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b	
			14 Other		12c	
					12d	
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form W-2 Wage and Tax Statement 2012

Department of the Treasury—Internal Revenue Service
 For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.
 Copy A For Social Security Administration — Send this entire page with Form W-3 to the Social Security Administration; photocopies are not acceptable.
 Cat. No. 10134D

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