



## MANDATED FFCRA (FAMILIES FIRST CORONAVIRUS RESPONSE ACT) PAYROLL SETUP AND PROCESSING

**Read this entire document NOW to be prepared for mandated FFCRA payment processing and data entry requirements.**

### **REQUIRED FOR EACH GENERAL LEDGER COMPANY THAT WILL PROCESS MANDATED FFCRA PAYMENTS.**

#### **REQUIRED: NEW CUSTOMERS SETUP**

##### **A. New FFCRA customers/codes must be created for payments to employees under FFCRA:**

Create exact code **FFCRA9FL** for new customer name "**FFCRA Family Leave**"

Create exact code **FFCRA9SL** for new customer name "**FFCRA Sick Leave**"

Create exact code **FFCRA2FL** for new customer name "**FFCRA Family Leave-Staff**"

Create exact code **FFCRA2SL** for new customer name "**FFCRA Sick Leave-Staff**"

##### **Data entry Screen 1:**

- Key the customer name (from the exact names above).
- Select any appropriate valid "Branch" code.
- Select any appropriate valid "Division" code.
- Select any appropriate valid "Sales" code.
- Select any appropriate valid "CSR" code.
- Select the appropriate valid "Workers comp" code **WHEN...** you will **only** be processing FFCRA payments in **one** state and **one** code for the **current** General Ledger company... **OR...** leave blank **IF** FFCRA payments will be processed for **multiple states** or **multiple codes**.

**Note:** Check with your insurance carrier(s) to determine: (1) Whether or not worker's compensation insurance needs to be paid/calculated in your state(s) for FFCRA payments; (2) What is the appropriate code? If workers compensation insurance is not required for FFCRA payments in a state (**likely**), a new "special" workers comp code for that state **must** be created with a "0.00" rate **before** data entry is started for new FFCRA customers). That new workers comp code will become the (default) "Workers comp" on this screen. It will then automatically become the workers comp code on every job order for this FFCRA customer.

- Select any appropriate valid "Source" code.
- Leave all other fields blank (including address fields).

##### **Data entry Screen 2:**

- Leave blank **IF** a "Workers comp" code was entered on Screen 1... **OR** select as many appropriate valid state workers comp codes as may be required for selection during FFCRA job order data entry. (Include all state "0.00" rate codes.)

##### **Data entry Screens 3-7:**

- Leave all fields blank.

##### **Data entry Contacts screen:**

- Not necessary to enter any contacts. Click "back" to begin entry of an additional new customer or to exit Customer entry when finished with all new customer entries.

**REQUIRED: NEW GENERAL LEDGER "ACCOUNTS" SETUP**

- B. New General Ledger wage expense accounts setup... for FFCRA Sick Leave wages and FFCRA Family Leave wages. (Menu GLMANT ["General Ledger File Maintenance" menu], item "Accounts") For \*assistance or to \*\*schedule training, contact SkillMatch support.

**REQUIRED: NEW "GL LABOR DISTRIBUTIONS" SETUP**

- C. New General Ledger labor distributions setup ("BR DV CL"... for use on FFCRA job orders)... using the new General Ledger FFCRA wage expense accounts... to track FFCRA Sick Leave payments and FFCRA Family Leave payments separately from "other" wages. (Menu PBMANT ["PayBill File Maintenance" menu], item "GL Labor Distributions") For \*assistance or to \*\*schedule training, contact SkillMatch support.

**REQUIRED: NEW JOB ORDERS SETUP**

- D. All FFCRA payments using the "Temp" payroll processing system must be paid on a unique job order for each employee.

**Note:** Job orders cannot be entered until after all the appropriate new customers have been entered for the General Ledger company.

**Note:** TWO job orders are required when both SICK and FAMILY payments are required for one employee.

FFCRA "Temp" payroll SICK leave must be paid on a unique job order using customer code **FFCRA9SL**, an applicable pay rate (or "0.00" if "flat" pay will be used during timesheet entry), and **must have** a bill rate of "0.00".

FFCRA "Temp" payroll FAMILY leave must be paid on a unique job order using customer code **FFCRA9FL**, an applicable pay rate (or "0.00" if "flat" pay will be used during timesheet entry), and **must have** a bill rate of "0.00".

- E. All FFCRA payments using the "Staff" payroll processing system must be paid on a unique job order for each employee.

**Note:** Job orders cannot be entered until after all the appropriate new customers have been entered for the General Ledger company.

**Note:** TWO job orders are required when both SICK and FAMILY payments are required for one employee.

FFCRA "Staff" payroll SICK leave must be paid on a unique job order using customer code **FFCRA2SL**, an applicable pay rate (or "0.00" if "flat" pay will be used during timesheet entry), and **must have** a bill rate of "0.00".

FFCRA "Staff" payroll FAMILY leave must be paid on a unique job order using customer code **FFCRA2FL**, an applicable pay rate (or "0.00" if "flat" pay will be used during timesheet entry), and **must have** a bill rate of "0.00".

**REQUIRED: SEPARATE PAYROLL CYCLE PROCESSING**

F. A **SEPARATE** payroll cycle must be used to process FFCRA payments. (When processing either “Temp” or “Staff” payrolls.)

**DO NOT COMBINE FFCRA PAYMENTS/TIMESHEETS WITH REGULAR PAYMENTS/TIMESHEETS IN A STANDARD PAYROLL CYCLE.**

**If you utilize “Cumulative Billing”, ALL FFCRA payroll cycles must be completed before you process “Cumulative Billing” steps.**

G. Process each FFCRA payroll cycle “as normal” using your standard payroll cycle checklist.

**Note:** Even though the FFCRA payroll cycle will not create any invoicing (since all FFCRA job order bill rates are “0.00”), the “Invoice Printing” step **must** be processed...

**unless unless unless** you utilize “Cumulative Billing”.

**If you DO NOT utilize “Cumulative Billing”,** process this step as you would normally process this step during a payroll cycle that does not contain any invoicing. (You will receive standard messaging that invoices do not exist.)

**If you DO utilize “Cumulative Billing”,** skip the “Invoice Printing” step as you normally do.

**Note:** Non-tax deductions for FFCRA payments **may require special attention.** It is **unclear** (from official sources at this time) how non-tax employee deductions (usually automatic) should be handled on FFCRA payments. **Never any? Never some? Always some?** Deductions for insurance, garnishments, 401K, etc., **may (?)** need to be disabled for FFCRA payments... **or not (?)**. For instance, if, during a pay period, an employee is receiving a “regular” payroll check that will deduct all automatic deductions... and the employee is also receiving a FFCRA check for the same pay period (but in a separate payroll cycle)... all deductions should **probably (?)** not be reflected on the FFCRA check. But **maybe (?)** 401K deductions (or others) could be an exception.

- **Bottom line,** since definitive rules regarding deductions from FFCRA payments have not been made available, SkilMatch **cannot** advise you on how to handle deductions from FFCRA payments.
- **You should check with your accounting and/or tax professionals and/or ASA or others for direction and rules.** Once you know the rules, contact SkilMatch support for **\*assistance** or to **\*\*schedule training help** to implement the rules.
- **If modifications to automatic deductions are not made, ALL automatic deductions WILL BE DEDUCTED from FFCRA checks.**

**RESULTS: FFCRA TAX ADJUSTMENTS AND TAX CREDITS AND GENERAL LEDGER ADJUSTMENTS**

H. FICA and MEDICARE, SUTA and FUTA, and other employee and/or employer payroll taxes will be calculated, expensed and accrued as normal for all FFCRA payments. **After your FFCRA payroll cycle updating is complete,** the standard “Payroll Journal Transaction Register” report (which is produced when the “Post Payroll” item on the PBUPDT menu is processed) will provide all of the figures needed for FICA tax deposit adjustments and/or for Medicare tax credit processing and/or for possible FUTA or SUTA adjustments and/or for the General Ledger journal entry adjustments necessary due to FFCRA payroll tax idiosyncrasies. **Obviously, all FFCRA payroll cycle reports and registers are “keepers” for future reference and/or POSSIBLE government surprises.**

\* Support for quick questions and guidance is covered by your monthly support charge and is free

\*\* Training must be pre-scheduled and is billed at \$47.00 per quarter-hour

SkilMatch monitors federal and state legislative and regulatory measures affecting payroll processing and administration. We attempt, when possible, to update systems and programming and procedures as relevant laws evolve. SkilMatch tries to assist customers with compliance requirements resulting from rapidly evolving legislation and tries to help minimize administrative burden where possible. When new information becomes available to us, we try to provide adjustments, where necessary, to information previously delivered. Information is provided to assist in your understanding of the impact of certain regulatory requirements and is not tax or legal advice. All information is subject to revision and may not be the most current information available. ***SkilMatch recommends that customers get guidance from appropriate legal and/or tax advisors... and ESPECIALLY from the American Staffing Association.***