Lexis® Back Office - Payroll

Getting Started

LexisNexis®

ADP's Trademarks

The ADP Logo is a registered trademark of ADP of North America.

Third-Party Trademarks

LexisNexis, Lexis, and the Knowledge Burst logo are registered trademarks of Reed Elsevier Properties Inc. **Adobe** and Acrobat are registered trademarks of Adobe Systems Incorporated in the United States and/or other countries. **Microsoft**, Windows, and Windows NT are registered trademarks of Microsoft Corporation in the United States and/or other countries. All other trademarks are the property of their respective owners.

LNGSG - 1007A

Contents

System Requirements

In order to use Lexis® Back Office - Payroll, your computer should meet the following requirements:

- High-speed Internet access
- Windows XP (recommended)
- Microsoft Internet Explorer 6.0.1 or higher
  - The security setting for Download Signed ActiveX Controls must be set to either Prompt or Enable
  - Popups must be enabled
- Screen resolution set to at least 1024 by 768 pixels
- Adobe® Reader® 6.0.1 or later, which you can download for free from Adobe's web site (www.adobe.com).

How Secure Is the Data?

The following industry-leading security technology is incorporated into Lexis® Back Office - Payroll:

- **Multi-level user authentication** – Users must provide key information, and their user name and password, to authenticate their registration information.
- **128-Bit SSL information transfer** – All information between the user's browser and the payroll system is transmitted under 128 bit SSL, the industry standard for secure financial data exchanges.
- **Physical security** – The client data is shielded behind several layers of security infrastructure, including firewalls that limit outside access to the payroll application.
- **Physical data security** – After submission, all client data is stored behind several layers of security, where access is restricted to only validated users and systems prior to data submission.
- **Proprietary data protocols** – Restricted protocols are used to move data throughout the system, which also restricts access to the system by outside users.

Security Access Roles

The following chart lists the different security access roles available for Lexis® Back Office - Payroll users.

With This Role	The User
Owner	• Has access to all areas of Lexis® Back Office - Payroll that are required to handle payroll functions. • Can add, change, and remove other users. • Can reset a password for other users.
Payroll Administrator	• Has access to all areas of Lexis® Back Office - Payroll that are required to manage payroll tasks.

Important: Because only someone with a role of Owner can reset passwords, you may want to assign the role of Owner to at least two users in the company.

Managing Users' Security Access

The person who initially purchases Lexis® Back Office - Payroll and goes through the registration process is automatically assigned the role of Owner. This person is responsible for setting up additional users in your company and managing their security access, which includes the following tasks:

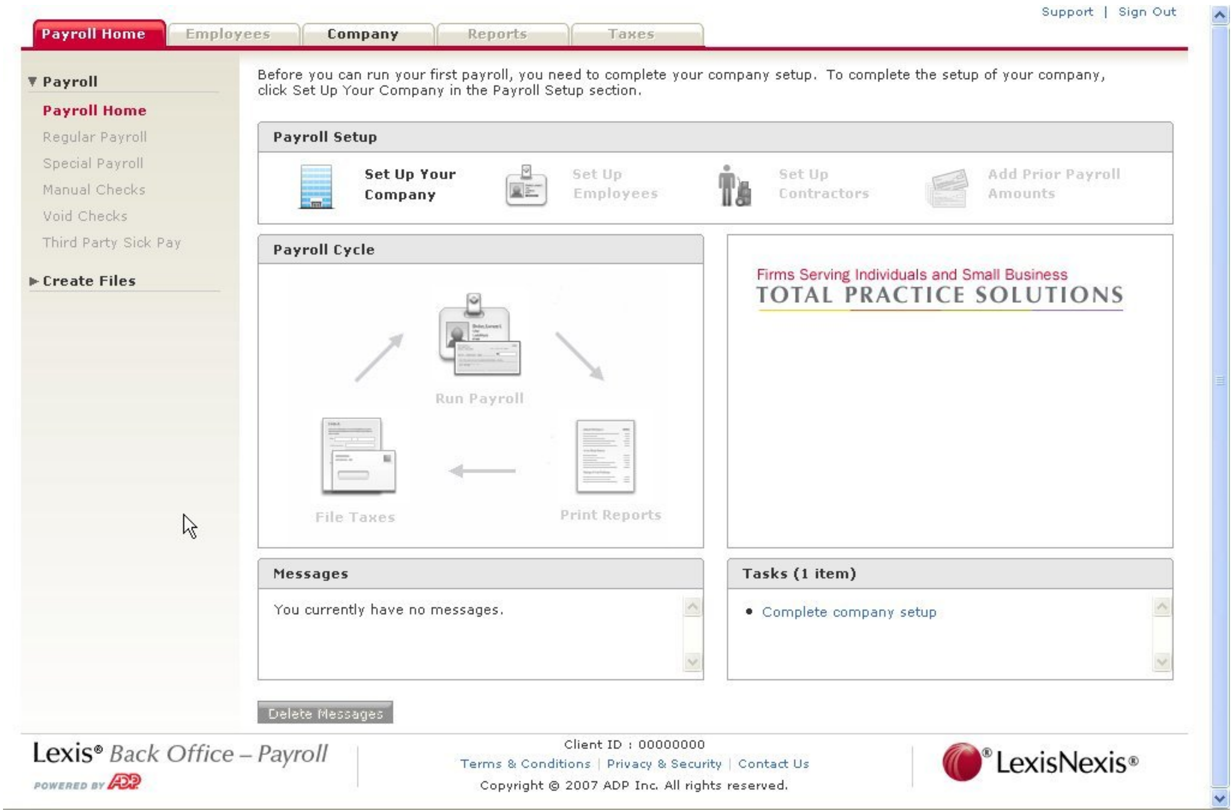
- Changing a user's security role
- Removing a user
- Resetting a user's payroll password

For step-by-step instructions on any of the tasks listed, search for the task name in the online help.

For more information about security access roles, see *Security Access Roles* on page 2.

Payroll Tasks, Messages, and E-Mail Messages

The Payroll Home page in Lexis® Back Office - Payroll allows you to manage payrolls and review payroll tasks and messages.



Payroll Tasks

A payroll task is a task that you must complete in Lexis® Back Office - Payroll.

Most payroll tasks should be completed as soon as possible. In some cases, you will be prevented from doing certain things until you complete a payroll task. For example, you cannot pay an employee until you have completed the Setup Employee task.

Payroll tasks are displayed, in order of priority, in the Tasks area on the Payroll Home page. When you are ready to complete a task, click the task in the Tasks area. Depending on the task, clicking it may take you to a page in the application where you begin the task, or it may open a document or form that you must complete. When you complete a task, that task is no longer displayed on the Payroll Home page. You cannot delete a task.

Example: The first time you sign in to Lexis® Back Office - Payroll, there is a task displayed called Set Up Your Company. You must click the task to open the Company Setup Wizard. When you have successfully entered all the information for the company and closed the Wizard, the Set Up Your Company task is no longer displayed on the Payroll Home page.

Messages

A message is used to tell you about something that you must do, or to provide information that you should know relating to your payroll.

Example: You will receive a message when statutory and deduction limits are met for an employee. You will also receive a message notifying you when the payroll application will be unavailable due to maintenance and enhancements.

Messages are displayed, in order of priority with the most recent ones first, in the Messages area on the Payroll Home page. Click the message to review the text.

Messages are displayed only for specific users in the company. Depending on the message, it may be displayed only for a certain length of time. You can delete a message at any time.

E-Mail Messages

When necessary, ADP sends e-mail messages to users with the security to access Lexis® Back Office - Payroll.

Example: Depending on your payroll service, an e-mail message is sent to individuals who have the roles of Owner and Payroll Administrator if the payroll has not been processed at the expected time.

Important: E-mail messages are generated automatically. Please do not reply to them.

Setting Up a Company

Before you can begin processing payrolls, you must use the Company Setup Wizard to enter your company information. Refer to the following topics for a list of the information you will need to have on hand.

- *Collecting General Company Information* on page 6
- *Collecting Company Pay Calendar Information* on page 7
- *Collecting Company Tax Information* on page 7
- *Collecting Company Earnings and Deductions Information* on page 7
- *Collecting Company General Ledger Information* on page 8
- *Collecting Company Workers' Compensation Information* on page 8
- *How Do I Set Up a Company?* on page 9

The Company Setup Wizard guides you through each of the Company pages you need to complete to set up a company successfully. Gathering this information before you start the Company Setup Wizard will help you complete the Wizard quickly and accurately.

Collecting General Company Information

You will need general company information and contact information to set up bank accounts and payroll checks.

Required Information	Where to Find
Company legal name, address, and phone number	Federal Forms 940, 941, 944, or 8109 **Important**: Make sure the name and address information matches the legal name and address information filed with the government.
Company contact information **Note**: Company contact information includes the name and phone number of the person whom ADP should contact if there are payroll questions.	Company personnel directory
Bank name, account number, and routing/transit number **Note**: For more information on these fields, see the online help.	On a check from the bank account that is used to pay employees and contractors

Collecting Company Pay Calendar Information

You need the payroll frequency and current payroll dates to set up the payroll calendar. Payroll dates also determine when you will receive messages that a payroll is due.

Collect the following information for pay calendar entries:

- Pay frequency
- Check date
- Pay period start and end dates

You can find all of this information in existing payroll files.

Collecting Company Tax Information

You need detailed tax information to set up tax payments and to schedule reminders for tax filings.

Required Information	Where to Find
Federal, state, and local identification number or Taxpayer Identification Number (TIN) and tax deposit frequencies	Federal, state, and local tax forms (for example, Form 941), coupons (for example, Form 8109) or any federal, state, or local tax correspondence
State unemployment ID number and experience rate **Note**: Depending on the state, unemployment rate may be called any of the following: • Experience rate • SUI rate • Contribution rate	State unemployment office or State Unemployment Quarterly Tax Returns
All other ID numbers and experience rates required by any state agency to which you must submit payroll taxes (for example, State Disability Insurance)	State tax office or State Tax Returns

Collecting Company Earnings and Deductions Information

You must enter specific earnings, benefits, and deductions information. Some earnings and deductions information is already set up for you. For a complete set of the earnings and deductions that are available in Lexis® Back Office - Payroll, see the *Earnings and Deductions Quick Reference* on the Support Center.

Collecting Company General Ledger Information

In Lexis® Back Office - Payroll, you'll need to set up a Chart of Accounts (COA) to begin tracking general ledger information. You'll use the COA to assign accounts to your company and employee payroll items. You can either use a pre-defined COA that comes with Lexis® Back Office - Payroll, or create your own.

To create your own COA, you'll need a list of general ledger account numbers and names from the accounting software application that you are using.

Company general ledger accounts include the following items:

- Taxes
- Deductions

Employee general ledger accounts include the following items:

- Earnings
- Taxes
- Deductions
- Net pay

Collecting Company Workers' Compensation Information

To create a Workers' Compensation Worksheet, you'll need to set up Workers' Compensation codes in Lexis® Back Office - Payroll. To do this, you will need to collect the Workers' Compensation Classification codes and descriptions for each job. You can find this information on the Declaration or Information page of the Workers' Compensation policy or on the annual Audit report.

How Do I Set Up a Company?

The Company Setup Wizard guides you through each of the Company pages you need to complete.

1 On the Payroll Home page, click the **Set Up Your Company** task to open the Company Setup Wizard, or if you want to set up the company later, click **Close**.

If you decide to set up the company later, you can click the **Set Up Your Company** task in the Tasks area on the Payroll Home page.

2 Each of the pages you need to complete is listed in the Menu list on the left. On each page, complete all the required fields, and any additional fields as necessary.

If you need help: For help on a particular field or page, click **Help** in the upper-right corner of the page. The Help window includes help for the current page. You can also select the **Search** tab to search for additional help.

3 After you complete a page, click **Next** to go to the next page. As you complete each page, a check mark is displayed in the Menu list to the left of the page name. When you are done setting up the company, you must set up the employees and contractors. For more information, see *How Do I Set Up Employees and Contractors?* on page 12.

Important: If you need to take a break, click **Finish Later** in the bottom-right corner of the Wizard. When you are ready to continue, click the **Complete Company Setup** task on the Payroll Home page. The Company Setup Wizard opens on the page where you left off.

Setting Up Employees and Contractors

After you finish setting up a company, you are ready to set up the employees and contractors. Refer to the following topics for a list of the information you will need to have on hand. Collecting this information in advance will help you complete the setup process.

- *Collecting General Employee and Contractor Information* on page 10
- *Collecting Employee and Contractor Payroll Information* on page 10
- *Collecting Employee and Contractor Bank Information* on page 11
- *Collecting Employee Paid Time Off Information* on page 11
- *Collecting Employee Tax Information* on page 11
- *How Do I Set Up Employees and Contractors?* on page 12

Collecting General Employee and Contractor Information

For Employees

- Legal name and contact information

  Note: For the employee's legal name, use the legal name from the employee's W-2.

- Date of hire
- Social Security number
- Birth date
- Gender

For Contractors

- Contractor name

  Note: Use the name that is displayed on the contractor's 1099-MISC.

- Date of hire
- Social Security number or Taxpayer Identification number

Collecting Employee and Contractor Payroll Information

You need payroll information to pay employees and contractors, and to calculate employees' taxes and deductions.

For each employee, you need to collect the following information:

- Pay rate (hourly or salary) and frequency
- Deduction (or benefit) types and amounts

You can find this information in the employees' payroll files.

For each contractor, you need to collect the pay rate (hourly or amount) and frequency.

Collecting Employee and Contractor Bank Information

If you offer direct deposit, you will need the following bank information for each employee and contractor:

- Bank name
- Account type (saving or checking)
- Routing/Transit number
- Account number

You can find this information on a voided check from the employee's or contractor's checking account or from a savings account statement or deposit slip.

Collecting Employee Paid Time Off Information

To help you track employee paid time off, you need to collect the following information for each employee:

- Vacation time allowed and taken
- Sick time allowed and taken
- Personal time allowed and taken

You can find this information in existing paid time off records.

Collecting Employee Tax Information

You need to enter the following tax information for each employee:

- Federal, state, and local withholding status
- Allowances
- Exemptions
- Additional withholdings (if applicable)

Tax information is available on the employee's federal I-9 and W-4 forms.

How Do I Set Up Employees and Contractors?

Before You Begin: This procedure describes how to set up employees and contractors when you first begin using Lexis® Back Office - Payroll. To hire new employees and contractors after setup is complete, search for **How Do I Hire an Employee?** or **How Do I Hire a Contractor?** in the online help.

The New Hire Wizard guides you through each of the pages that you need to complete. You must complete the required fields on each page, and any additional fields as necessary.

1 On the Payroll Home page, click the **Set Up Employees** task or the **Set Up Contractors** task to open the New Hire Wizard.

2 Each of the pages included in the Wizard is listed in the Menu list on the left. On each page, complete each of the required fields, and any additional fields as necessary.

If you need help: For help on a particular field or page, click **Help** in the upper-right corner of the page. The Help window includes help for the current page. You can also select the **Search** tab to search for additional help.

3 After you complete a page, click **Next** to go to the next page. As you complete each page, a check mark is displayed in the Menu list to the left of the page name.

Important: If you need to take a break, click **Finish Later** in the bottom-right corner of the page. When you are ready to continue, click the **Complete {Employee or Contractor Name}** task on the Payroll Home page. The New Hire Wizard opens on the page where you left off.

Entering Prior Payroll Amounts

If you paid employees or contractors during the current calendar year, before you began using Lexis® Back Office - Payroll, you must enter their prior payroll amounts in Lexis® Back Office - Payroll. Prior payroll amounts are year-to-date totals, broken down by quarter for earnings, taxes, and deductions. Entering prior amounts ensures that:

- Payroll calculations are correct
- Employees and employers don't continue to pay taxes if the limits have already been met
- Quarter and year-end statements, including W2s and 1099s, are correct

The prior payroll amounts that you enter in Lexis® Back Office - Payroll should include only the amounts accrued by employees and contractors while they worked for the company during the current year, before you began using Lexis® Back Office - Payroll. An employee or contractor who worked for another employer during the current calendar year will receive a federal earnings statement from their previous employer.

For more information about prior payroll amounts, search for **prior payroll amounts** in the online help.

Where Can I Find Prior Payroll Amounts?

To find prior payroll amounts, refer to the following documents:

- Company payroll-by-payroll detail registers (current payroll provider's Payroll Summary report)
- Quarterly earnings records
- Ledger cards
- Payroll spreadsheets
- Payroll journals

Processing Your First Payroll During a Quarter

When you first start using Lexis® Back Office - Payroll to process payrolls, unless the pay period includes the first day of the quarter, you must account for any prior payroll amounts that have accumulated for your employees during the quarter.

On the Prior Payroll Details page in the Prior Payroll Amounts Wizard, select one of the following options to enter any amounts that have accumulated for your employees for the current quarter:

- Quarter-to-date
- Payroll-by-payroll

For more information about using the Wizard, see *How Do I Enter Prior Payroll Amounts?* on page 14.

How Do I Enter Prior Payroll Amounts?

When you finish setting up at least one employee or contractor in Lexis® Back Office - Payroll, you will be prompted to enter prior payroll amounts. It is important that you enter prior payroll amounts for all applicable employees and contractors.

Important: When you click **Finish** at the end of the Prior Payroll Amounts Wizard, you will not be able to open it again. If your company has no balances for the current year, you can click **No Balances** on the first page of the Wizard.

You must enter prior payroll amounts before you process a payroll, manual check, void check, or third party sick payment.

1 In the Tasks area on the Payroll Home page, click the **Add Prior Payroll Amounts** task to open the Prior Payroll Amounts Wizard.

2 On each page of the Wizard, complete the fields as necessary, and click **Next** to go to the next page.

   If you need help: For help on a particular field or page, click **Help** in the upper-right corner of the page. The Help window includes help for the page you are on in the Wizard. You can also select the **Search** tab to search for additional help.

3 On the last page of the Wizard, click **Finish** if you entered prior payroll amounts by quarter, or click **No Further Balances** if you entered payroll amounts by check date. The payroll amounts are calculated.

Important: If you need to take a break, click **Finish Later** in the bottom-right corner of the page. When you are ready to continue, click the **Complete Prior Payroll Amounts** task on the Payroll Home page. The Prior Payroll Amounts Wizard opens on the page where you left off.

Paying Your Employees and Contractors

The following tasks outline the process of paying your employees and contractors using Lexis® Back Office - Payroll. Details are provided for each task.

- *Task 1: Update Employee and Contractor Information* on page 15
- *Task 2: Total the Source Documents* on page 15
- *Task 3: Enter Payroll Information* on page 16
- *Task 4: Calculate the Payroll* on page 17
- *Task 5: Correct Payroll Errors* on page 17 (repeat Tasks 4 and 5 until all errors are corrected)
- *Task 6: Save the Payroll* on page 17

- Task 7: Print Paychecks, Pay Stubs, and Direct Deposit Vouchers

Task 1: Update Employee and Contractor Information

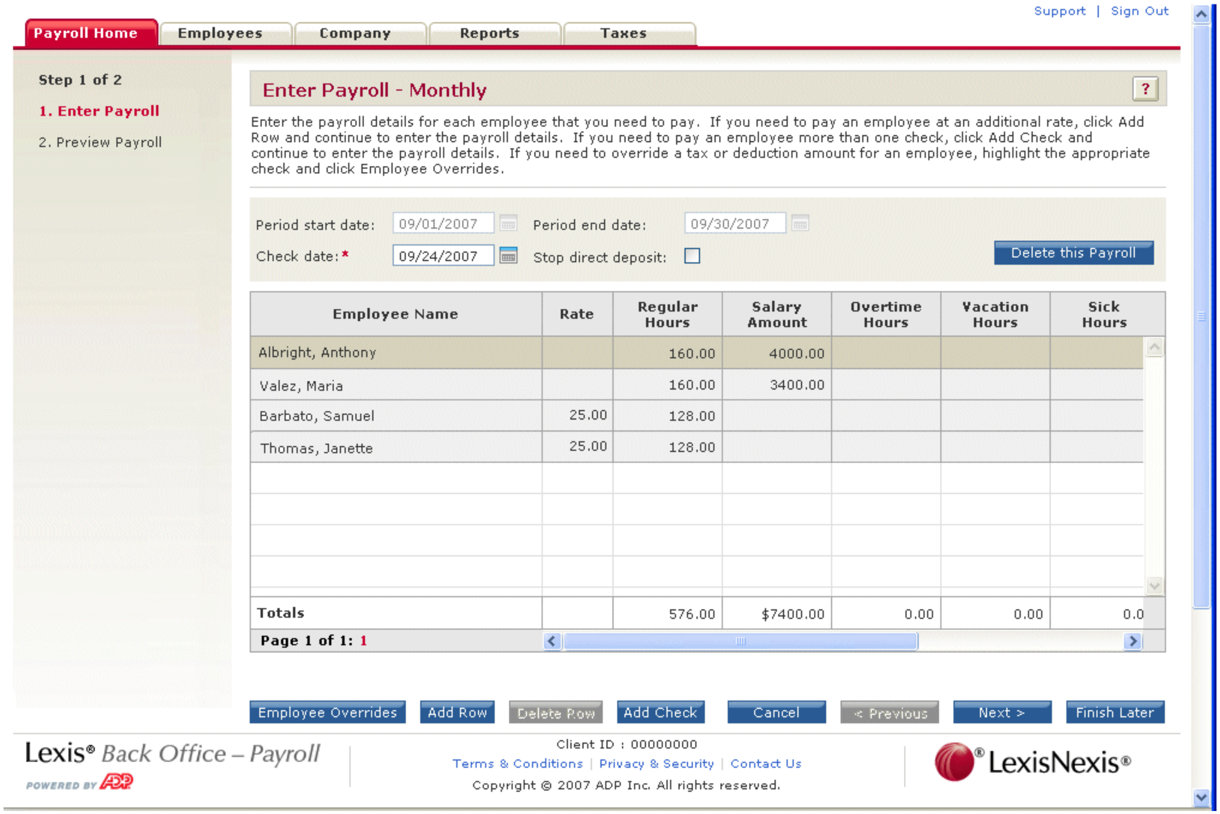
To ensure that paychecks are accurate, make sure you update information for all employees and contractors before you process the payroll. For example, if an employee moves from one jurisdiction to another, the taxation rules for that new jurisdiction may impact the employee’s paycheck. It is easier to change the jurisdiction before you process the payroll instead of tracking down and correcting any errors later. You should also complete the New Hire Wizard for any new employees or contractors that you want to include in the payroll.

Task 2: Total the Source Documents

Source documents are the original forms you use to record pay information (for example, timesheets or time cards). Assemble and total any amounts in the source documents that you are using to enter payroll information.

Task 3: Enter Payroll Information

You enter payroll information for employees and contractors in the Payroll Worksheet on the Enter Payroll page (see the following example).



Active employees and contractors are listed in rows down the left side of their respective pages in the worksheet. If you are entering payroll information for both employees and contractors, you must enter the employee information first. When you have completed all employee payroll entries, click **Next** to go to the contractor page of the Payroll Worksheet.

Earnings are listed in columns across the top of the Worksheet. When you open the Enter Payroll page, the Payroll Worksheet is already filled in with the standard hours set up for employees on the Payroll Info page. There is a column representing each earning that is set up for the company on the Earnings and Deductions Info page. For contractors, there is a column representing each type of 1099 earning.

For each employee, enter an amount or number of hours for each applicable earning. If you want to change an employee's taxes or deductions for this pay period only, highlight the employee's row and click **Employee Overrides**. For each contractor, enter an amount for each applicable earning.

For more information about the Enter Payroll page, click **Help** in the upper-right corner of the page.

Task 4: Calculate the Payroll

After you enter payroll information in the Payroll Worksheet for each employee and contractor that you want to pay, click **Next** to calculate the payroll. If the payroll calculates correctly and there are no errors, the Preview page is displayed. Verify that all totals are correct. If you want to see detailed check information, click the name to highlight the row, and then click **View Details** to open the Payment Details page.

If you need to change payroll data, click **Previous** to go back to the Payroll Worksheet.

Important: If there are errors, you must correct them before you can continue with the payroll.

Task 5: Correct Payroll Errors

If there are any errors that result when you calculate the payroll, the Payroll Errors page is displayed with a list of the errors. Review the errors and correct them, and then recalculate the payroll.

For more information about troubleshooting payroll errors, search for **correcting payroll errors** in the online help.

Task 6: Save the Payroll

After you calculate the payroll and correct any errors, the updated payroll data (including any pending items, such as manual checks, voided checks, and third party sick payments) is saved automatically.

For more information about manual checks, voided checks, third party sick payments, and pending items, see the online help.

Task 7: Print Paychecks, Pay Stubs, and Direct Deposit Vouchers

After you process the payroll in Lexis® Back Office - Payroll, use Lexis® Back Office powered by PCLawPro to print your paychecks, pay stubs, and direct deposit vouchers for your employees and contractors.

Customizing Standard Reports

Standard reports are supplied with Lexis® Back Office - Payroll. You can customize these reports for your company by selecting a variety of criteria such as dates, employee and contractor names, and tax details. You can also export and print the reports.

For a description of each report, open the Reports Home page and point to the report name.

Exporting Data

If you want to use report data outside of Lexis® Back Office - Payroll, you can export it in Microsoft Excel format. For example, you can export report data if you want to merge together data from one or more different reports, or if you want to sort the data differently than you would using the parameters provided in Lexis® Back Office - Payroll.

For details on how to export a report, see *How Do I Run a Report?* on page 19.

How Do I Run a Report?

Before You Begin: You must install ActiveX controls on the computer and process at least one payroll before you can run reports.

1. Select the **Reports** tab to open the Reports Home page.
2. In the Menu list or on the Reports Home page, click the name of the report you want to run. The report is displayed using the default report parameters.
3. In the Report Parameters area, select the parameters you want to use to run the report, and then click **Refresh**.
4. Some reports include blue links that you can click to display additional report information. For example, the Payroll Summary report lists a summary of the employer tax and deductions totals, which are listed by check date. To see detail amounts for a specific employee, click the check date in the Summary report to open the detailed report for that employee.
5. To print the report, click **Print Report** in the upper-right corner of the report page. To export the report, click **Export to Excel** in the upper-right corner of the report page.
6. When you are done, click **Close** to close the report and go back to the Reports Home page.