

# New client FAQ's

## 1. What is the cut off time for reporting payroll for direct deposit?

Per standards set forth by our bank, payroll is due by noon three business days prior to your payroll run. If you require a preview, we allow for up to three hours to review and submit your edits, leaving us time to meet your payroll schedule. If your payroll falls on the same dates each month (i.e., 1st/15th), we understand we need to allow for holidays and weekends, and we will do our best to accommodate for these scenarios, as our banking deadlines dictate.

## 2. What happens if I miss the cutoff for direct deposit?

If your cutoff time is missed, we will submit the file to the bank late for direct deposit and a \$40.00 rush fee may be incurred. Paper checks are available via courier or FedEx for an additional fee, or via regular mail at no additional charge under 20 checks. We can also push out the pay date to keep the direct deposit, or you can hand-write checks out of your office for the net amounts.

## 3. How do I report my payroll to Payroll Vault?

Payroll needs to be reported by either fax, spreadsheet export or our electronic portal.

## 4. I would like to be paperless, but what if I need a paper check?

We absolutely can issue paper checks. We write them on our clients' account with their MICR line and signature. Payroll Vault will not be responsible for the reconciliation of the paper checks cut on your behalf.

## 5. How do I know how much money I need to have in my bank account to cover payroll, and how does the money move once it leaves my account?

You need to have enough to cover all direct deposit amounts, taxes, vendor payments (401k, garnishments, child support, and medical coverage) as well as our fee. The first page of the set of reports will show you each line item that will be drafted from your account exactly as it will appear on your bank statement. A payroll preview report is also available that allows you to see the amounts that will be drafted, except our Payroll Vault fees, along with all gross wages and taxes prior to the payroll being finalized.

Once we draft your account for these amounts the money will be put into our holding account. From there, we pay your employees, tax agencies, any vendors for child support/garnishments and our fees.

One important note: if you require paper checks, the report reference above does NOT include those amounts. You can find the grand total of your paper check amount on the Payroll Checks report.

## 6. How do I pay payroll fees and when?

Payroll fees are debited from your account two business days prior to your payroll run. Quarterly fees are debited the last business day of the month following the end of the quarter (4/30, 7/31, 10/31, 1/31).

## 7. When will the funds be taken out of my bank account?

We will debit your account for direct deposit, taxes, fees and any vendor payments (garnishments, child supports) two business days before your check date. This allows us time to verify the funds and remain in compliance with our bank.

## 8. What will the debit look like on my bank statement?

The amounts will look just like they do on the first page of your payroll reports. The codes on the bank statement itself are:

**BILL IMPND** - This is our fee

**TAX IMPND** - This is your payroll tax total and includes all federal and state taxes, employee and employer, added together

**NET PAY** - This is your direct deposit total

**AGENCY** - This is the impound amount for any vendors we pay on your behalf such as child support or garnishments

## **9. Can I have my employees call to ask questions about their checks?**

In the interest of protecting our clients and ourselves, we have a strict policy to only speak to client-authorized representatives. If an employee has a question about their check, they will be directed to their employer. If our clients have questions, we are happy to answer any and all questions regarding employee pay. If clients need training or access to reports or online reporting tools in order to assist their employees, we would be happy to assist you with this process.

## **10. What payroll reports are available to me?**

Our standard set of reports include an impound summary sheet, check register, payroll journal, earnings report, payroll tax summary and journal entry report. However, we have many other reports that we are able to add for no additional charge. Just tell us what you're looking for and chances are we can put it together. Additional reports may include an accruable benefit report, deduction register or employee listing.

## **11. How will I receive my payroll reports?**

You can receive your payroll reports via email, our online portal or via courier/FedEx/USPS. Depending on the delivery method chosen for your paper reports, additional fees may apply.

## **12. What if I need a special report?**

Special reports are provided at no charge. Please send an email or give us a call with the parameters you require. We will run the report and either set it on the portal for you to retrieve or email it to you. Please keep in mind that payroll is our first priority, so please allow us time to fulfill your request.

## **13. How do my employees get paid?**

Employees can be paid by a traditional paper check or direct deposit into a savings and/or checking, 401k or HSA account. We can also offer pay cards as an additional solution for your employees. Pay cards are a debit Visa or MasterCard attached to a true bank account that offers the employee a free electronic solution for managing their wages. Let us know if you'd like to learn more about pay cards.

## **14. Where do paper checks get delivered?**

Paper checks and/or reports are delivered to either your business address or the individual employee, whichever is specified by the client, and are sent via regular mail. Courier or FedEx are available for an additional charge.

## **15. How do I report employee changes and when?**

If you report payroll on the portal, you can enter in the changes at the time you are entering your payroll. If you report payroll by fax or email, you can remit all changes at the same time as you are reporting your payroll. We request that larger clients keep all of their changes together and send them all at once. This assures that we gather all of the information needed to insure accuracy of your payroll.

## **16. How do I report any new hires and when?**

We do all new hire reporting to the state on your behalf. Your new hires can be reported to us at the same time you are reporting your payroll for that pay period. Information that we need for any new hires include their W4, direct deposit form and a voided check. If you have an employee working in a city with a local tax that must be remitted, we also need to be notified of this at that time.

## **17. How are my payroll taxes paid and when? (Local, state, federal, quarterly?)**

We remit all payroll taxes direct to the government entities on your behalf. We pay federal taxes on a traditional semi-weekly schedule. If you are a monthly or quarterly client, we will be paying the taxes early. State withholding taxes are paid monthly or semi-weekly according to the frequency assigned by the state. For federal and state, if the withholding threshold is reached and taxes are due the next day, we pay according to that schedule. Federal and state unemployment taxes we pay at the quarter.

## **18. Does Payroll Vault take responsibility for my payroll taxes being paid accurately and on time?**

Payroll Vault does take responsibility for this. If tax payments are paid late due to an error on our part, we will be responsible for any penalties and interest incurred. We will also communicate directly to the government agencies to get the problem resolved ASAP. If the reason for the inaccuracy or shortage of payment is due to a client, we will STILL communicate to the agencies to work out a resolution. The penalties and any interest will be the responsibility of the client. Also, the IRS still ultimately holds the client responsible to make sure all tax payments are being made in full and on time. You can go to [www.eftps.gov](http://www.eftps.gov) and register to see all tax payments made on your behalf.

## **19. What do I do if I receive a payroll tax notice from the IRS, State or Local municipality?**

Fax or scan and email it to us immediately. We will investigate the resolution and communicate it back to you. If there is an amount due, please let us review it before contacting the appropriate government agencies. We are always happy to assist our clients with these notices.

## **20. What if I have a payroll question?**

Call or email any time.

## **21. What happens if I get audited? Does Payroll Vault help with an audit?**

Payroll Vault can help you pull together reports that you will need for a Worker's Compensation audit or a Department of Labor audit. Simply send over the audited time frame dates and we will run the applicable reports. We can then email these reports to you or we can place them on your portal. Unfortunately, we are not able to assist in any other kind of audits. Due to the nature of information that is required to be filled out on worker's comp reports, we will be unable to assist you with the completion of the reports. For local clients and local state labor audits, we would be able to host the auditor at our office and provide them with whatever they would need.

## **22. Why does my payroll and taxes need to go into your account first? Do you earn interest on that money?**

The reason we debit the money into our account first is because it's designated as an ACH account only. We can then direct it into the accounts of your employees and the tax agencies. We do not have the power to go directly into your bank account to direct money out of there at will. This would be a security breach for our clients. We do NOT earn interest on the money that resides in this account.

## **23. What happens if my payroll bounces?**

If it is the first time your payroll has bounced, we will notify you and remind you that if it happens again, you will be unable to pay your employees via direct deposit. There is also a \$75 insufficient funds fee. If payroll bounces a second time, you will be switched from direct deposit to paper checks. If another instance occurs and the draft of your taxes/fees bounces, we will switch to a manual processing method for filing your 941 taxes, which includes a \$40 manual processing fee. Please note that any time your payroll bounces, we will not file or pay your taxes until we have received the funds, which could mean penalties and interest for you if the tax payments are late.