

# Sage 300 US Payroll: Setting Up Pay Codes for FFRCA with Sage 300 and HRMS

## H.R. 6201 Families First Coronavirus Response Act

### How to implement the Employer Paid Leave Requirements and track Tax Credit Provisions with Sage HRMS or Sage Abra and Sage 300 US Payroll

The Federal Government has passed HR 6201, known as FFCRA, to provide relief to families directly affected by COVID-19. There are two distinct categories of employees who will qualify. These will remain in effect at this time till 12/31/2020. This document is to assist with the creation of codes to track as well as the means to report at the end of the year for Tax Credit purposes.

	Covered Employers	Duration of Leave	Qualifying Reasons for Leave	Required Wage Replacement	Applicability of: Division G – Tax Credits for Paid Sick and Paid Family and Medical Leave
<b>Division E – Emergency Paid Sick Leave</b>  Effective 15 days after enactment.  Expires 12/31/2020	<u>Private sector employers with fewer than 500 employees.</u>  Public sector employers with 1 or more employees.  Good cause exemption for employers with fewer than 50 employees. Applies to reason #5 only. (DOL Rule)	<u>Employer must provide 2 weeks</u> of paid sick leave for full-time covered employees.  Special rule for part-time employees.	1. Employee is subject to a Federal, state or local quarantine related to COVID-19. 2. Employee has been advised by a health care provider to self-quarantine. 3. Employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis. 4. Employee is caring for an individual who is subject to quarantine pursuant to 1 and 2. 5. To care for a child or children whose school or care provider is unavailable due to COVID-19. 6. Employee is experiencing a similar condition as specified by HHS, DOL or Treasury.	<u>Reasons #1-3:</u> Employee’s regular rate of pay. Capped at \$511/day and \$5,110 total.  <u>Reasons #4-6:</u> 2/3 of employee’s regular rate of pay. Capped at \$200/day and \$2,000 total.  Special rule for part-time employees.	Private sector employers with fewer than 500 employees may obtain a credit for wage replacement:  <u>Employers receive 100% payroll tax credit (refundable as needed)</u> for required paid sick leave wages plus certain health care expenses of the employer.  Special rule for self-employed.
<b>Division C – Emergency Family and Medical Leave</b>  Effective 15 days after enactment.  Expires 12/31/2020	<u>Private sector employers with fewer than 500 employees.</u>  Good cause exemption for employers with fewer than 50 employees. (DOL rule)	<u>Employer must provide 10 weeks</u> of paid family and medical leave for employees (employed for at least 30 days).  Special rule for part-time employees.	Employee is unable to work (or telework) due to a need for leave to care for a son or daughter under 18 years of age if the school or place of care has been closed, or the child care provider is unavailable, due to a public health emergency.	<u>Not less than 2/3 of regular rate of pay</u> based on # of hours scheduled to work. Capped at \$200/day and \$10,000 total.  Special rule for part-time employees.	Private sector employers with fewer than 500 employees may obtain a credit for wage replacement:  <u>Employers receive 100% payroll tax credit (refundable as needed)</u> for required paid family and medical leave wages plus certain health care expenses of the employer.  Special rule for self-employed.

To create the codes that will be needed you will need to access your Setup for the Payroll module in Sage Abra Suite or HRMS. We suggest the creation of new earnings codes to handle the new pay. A Time Off Plan can be created to track time if needed and we will include those instructions also.

**For use with Sage Abra Suite**

1. Log in and Access Set up
2. Choose Payroll
3. If needed, Choose General Ledger and add a new GL Code for use
4. From Earnings/Deductions/Taxes choose Earnings
5. Click add and give it a code and description

Earnings Codes Detail - Enterprise

Code: 0200      Description: Emer Paid Sick

General	Other	General Ledger
Check Group: 1		Calculation Rule: Pay Rate x Hours x
Earnings Category: Pay for Work Perfor		Rate Factor: 1.0000
Pay Cycle: Pay 1st and 3rd Per		Standard Amount: 0.0000
Earnings Type: Base Pay		Earnings Goal: 9999999.99
Taxation Method: Use Regular Tax Rat		Start Date: 01/01/2020
Unit of Pay: Hours of pay		Stop Date: 12/31/2020

OK    Cancel    Apply

6. Make sure to choose the correct Pay Cycle and Earnings Type for your organization.
7. If you are choosing to link it to a Time Off Plan, make sure to choose the Absence Reason Code on the **OTHER** tab.

Earnings Codes Detail - Enterprise

Code: 0200      Description: Emer Paid Sick

General	Other	General Ledger
Automatic Allocation: <input type="radio"/> Yes <input checked="" type="radio"/> No		Time Clock Pay Type Code:
Shift Differential Component: <input type="radio"/> Yes <input checked="" type="radio"/> No		HR Benefit Code: [Not Linked]
Include in Retro Pay Calcs: <input type="radio"/> Yes <input checked="" type="radio"/> No		Absence Reason Code: <div style="border: 1px solid black; padding: 2px;">                     Compensatory Time                      Family Medical/Leave                      Funeral Leave                      Holiday Leave - Comp                      Holiday                      Illness - Excused                 </div>
Include in Accrual Hours: <input type="radio"/> Yes <input checked="" type="radio"/> No		
Include in FLSA Calculations: <input type="radio"/> Yes <input checked="" type="radio"/> No		
Automatically Reset Balance Amount at Year End: <input type="radio"/> Yes <input checked="" type="radio"/> No		

OK    Cancel    Apply

8. Make sure to update your Tax Codes with the new FFRCA code in Set up, Payroll and Tax Codes.
9. If needed make sure to add to any other codes that would use this as a earnings basis.
10. Add your code for the General Ledger.
11. This code can then be added for pay to anyone who is affected within their Timesheet.

### For use with Sage 300 Payroll

1. If needed, Choose General Ledger and add a new GL Code for use
2. In Payroll Setup, choose Earning/Deductions Codes
3. Add a 2 new codes and descriptions.
  - a. ESPL - Emergency Paid Sick Leave
    - i. Taxable
    - ii. Confirm GL Distribution Codes with client
    - iii. Use Employee's Hourly Rate unless daily payments exceed \$511 and \$5,100 in total
    - iv. Determine how many hours the employee is eligible for, up to 80
  - b. PHEL - Public Health Emergency Leave
    - i. Taxable
    - ii. Confirm GL Distribution Codes with Client
    - iii. Use 2/3rds Employee's Hourly Rate limited to \$200 per day and \$10,000 in total
    - iv. Determine how many hours the employee is eligible for during the 12 Week benefit period
4. If adding an Earning set up as you see below. If creating an accrual to track with a Time Off Plan got to Step 6.

Screen shots of ESPL setup (PHEL would be the same)

The screenshot shows the 'SAMINC - Payroll Earnings and Deductions' window. The 'Earning/Deduction' field is set to 'ESPL' and the 'Description' is 'Emergency Paid Sick Leave'. The 'Basic Info' tab is active, showing the following fields:

- Short Description: ESPL
- Category: Earning
- Type: Salary & Wages
- Employee Calc. Method: Hourly Rate
- Frequency: Float
- Level: 10
- Starts: Date of Hire
- Ends: / /
- Last Maintained: / /
- Inactive as of: / /
- Print Earning/Deduction On Check:
- Subject to Workers' Compensation:
- Include in FLSA Overtime Calculation:

Buttons at the bottom include 'Add', 'Delete', and 'Close'.

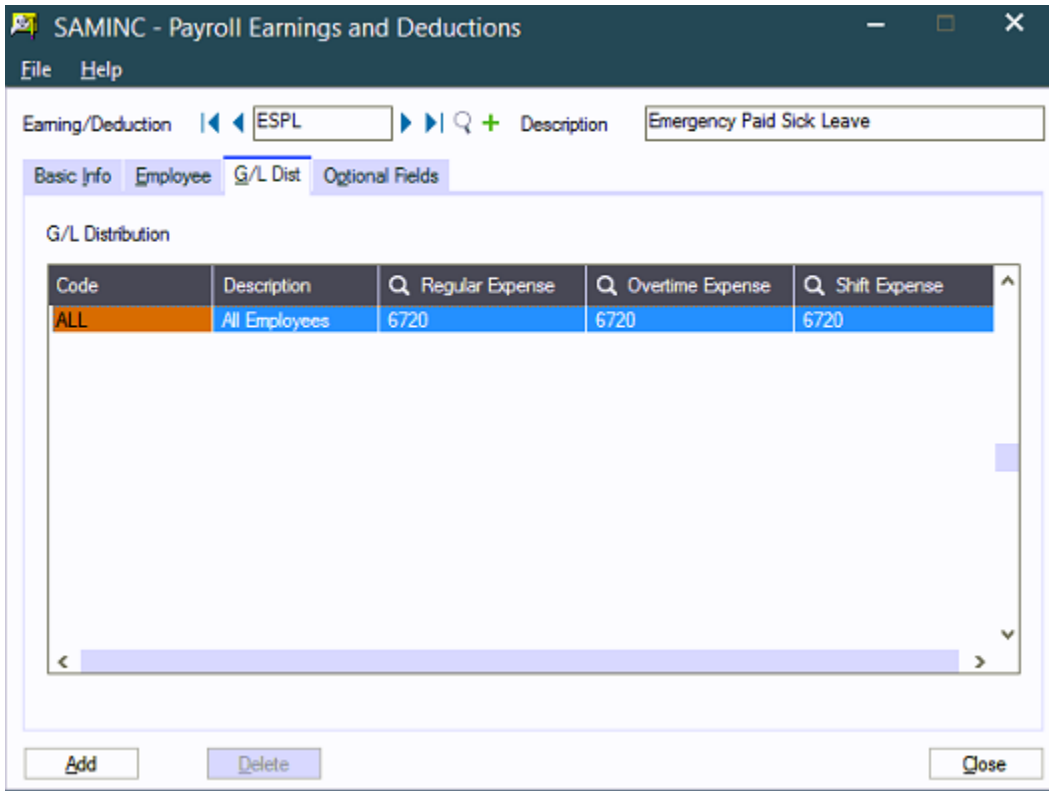
Taxes

The screenshot shows the 'SAMINC - Payroll Earnings and Deductions' window with the 'Employee' tab active. The 'Employee Calc. Method' is 'Hourly Rate' and the 'Hourly Rate' is set to '0.00'. A 'Subject to the Following Taxes' dialog box is open, displaying a list of taxes and their withholding types:

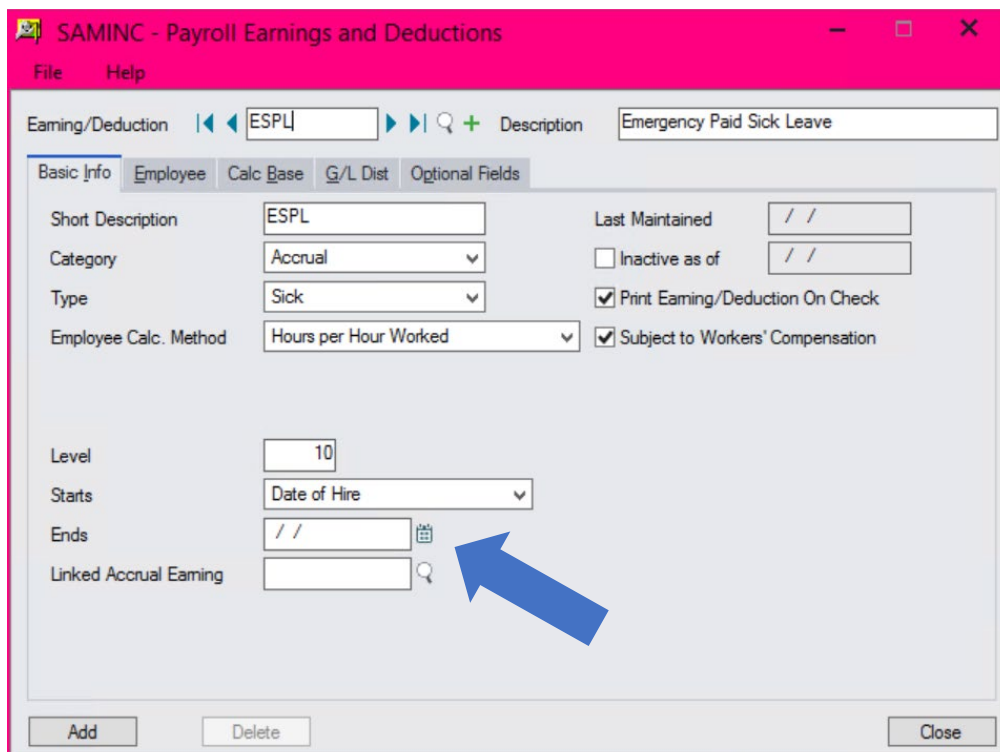
Tax	Withholding Type
USFIT	Regular Rate
USFUTA	Regular Rate
USMED	Regular Rate
USSS	Regular Rate

Buttons at the bottom include 'Add', 'Delete', and 'Close'.

GL Distribution Code(s)



5. You can use Assign Earnings/Deductions to push out to applicable employees or enter directly into the Employees Pay Detail.
6. FOR USE WITH ACCRUAL CODE – Make sure to link to an Accrual Earning



7. On the Employee Tab add applicable taxes. Also Make sure to set Through Service Year to 99 and add a Max Accrual and Max Carryover of 999.99 to allow the code to calculate correctly.
8. Make sure to add a GL Distribution code.
9. If you are using only as an Earning, you can use Assign Earnings/Deductions to push out to applicable employees or enter directly into the Employees Pay Detail.
10. If you are using as an accrual now is the time to create your [Time Off Plan](#).
11. When you create a Time Off plan and add to employees the Accrual Earning Code will automatically appear in the Employees Pay Detail

### Time Off Plans

*For Sage HRMS*

1. Access Set up and Time Off
2. Choose Absence Reason Codes
3. Click Add and create a new code to track absences
4. Choose Attendance Plans
5. Click Add
6. Set the plan up as seen below

**Attendance Plans Detail - Dunedin Enterprises - US**

Code:  Description:

General | Seniority Levels | Absence Reason Codes | Point System

Use Payroll Accrual Rules

Plan Type:

Plan Year:

Calculation Method:

Accrual Period:

Payroll Accrual:

Absence Transaction:

7. Make plan a Lump Sum and follow guidelines to set up how much time is available to the employee
8. Create this as an Annual Plan since it is set to end 12/31/2020.
9. Makes sure to choose the Payroll Accrual Code you created from the Drop-Down List.
10. Access Absence Reason Codes tab and choose your newly created code
11. Add Plan to employees individually as needed or as a group in Time Off, Processes and Add Attendance Plans

*For Sage Abra Suite*

1. Access Set up and Time Off
2. Choose Absence Reason Codes
3. Click Add and create a new code to track absences
4. Choose Attendance Plans
5. Click Add
6. Set the plan up as seen below

The screenshot shows a software window titled "Attendance Plans Detail - Enterprise". At the top, there are two input fields: "Code" with the value "EPSL" and "Description" with the value "Emer Paid Sick Leave". Below these are four tabs: "General" (selected), "Seniority Levels", "Absence Reason Codes", and "Point System".

Under the "General" tab, the following settings are visible:

- Plan Type: FMLA (dropdown)
- Plan Year: Annual (dropdown)
- Calculation Method: Lump Sum (dropdown)
- Accrual Period: Year (dropdown)
- Maximum Available: 99999.99
- Maximum Carryover Per Year: 99999.99
- Maximum Total Carryover: 99999.99

At the bottom of the form area, there are three unchecked checkboxes:

- Accrue Lump Sum Amount Based on Plan Year Start Date
- Absence Transactions Affect Perfect Attendance
- Accrue Time Based on Actual Hours Worked

At the bottom right of the window, there are three buttons: "OK", "Cancel", and "Apply".

7. Make plan a Lump Sum and follow guidelines to set up how much time is available to the employee.

Attendance Plans Detail - Enterprise

Code:  Description:

General		Seniority Levels		Absence Reason Codes		Point System	
	After Months	Hours Earned					
Level 1	<input type="text" value="0"/>	<input type="text" value="80.00"/>	Level 6	<input type="text" value="0"/>	<input type="text" value="0.00"/>		
Level 2	<input type="text" value="0"/>	<input type="text" value="0.00"/>	Level 7	<input type="text" value="0"/>	<input type="text" value="0.00"/>		
Level 3	<input type="text" value="0"/>	<input type="text" value="0.00"/>	Level 8	<input type="text" value="0"/>	<input type="text" value="0.00"/>		
Level 4	<input type="text" value="0"/>	<input type="text" value="0.00"/>	Level 9	<input type="text" value="0"/>	<input type="text" value="0.00"/>		
Level 5	<input type="text" value="0"/>	<input type="text" value="0.00"/>	Level 10	<input type="text" value="0"/>	<input type="text" value="0.00"/>		

OK Cancel Apply

8. Create this as an Annual Plan since it is set to end 12/31/2020.
9. Access Absence Reason Codes tab and choose your newly created code
10. Add Plan to employees individually as needed or as a group in Time Off, Processes and Add Attendance Plans

If you would like to have assistance with the setup of these codes, setting up accruals or setting up codes in your time clock solution, please feel free to reach out to us at our helpdesk and we will have one of our payroll specialists for Sage 300 reach out to assist you. Our helpdesk can be reached at: