

> Employee Retention Tax Credit – HourDoc & WS1 Time Sheet Entry

The purpose of this document is to provide instructions on how to record time and additional pay to the new pay codes associated with the Employee Retention Tax Credit in HourDoc and WorkSight 1.

Please note: By using the Employee Retention Tax Credit (ERTC) pay codes at any time, you are effectively opting-in to those tax credits and are confirming eligibility for the respective tax credits, regardless of any election you made on the G&A opt-in form (or any other communication to any representative of G&A Partners). Please refer to the G&A opt-in letter for additional information related to your responsibilities as a client employer of G&A Partners. **To determine eligibility based on employee count, please use your average full-time employee count in 2019 while factoring in all controlled group and/or affiliated entities.**

Employee Retention Tax Credit (ERTC)

- Small businesses may be eligible for a refundable payroll tax credit if:
 - Operations were fully or partially suspended due to a COVID-19-related shutdown order, or
 - Gross receipts declined by more than 20% when compared to the same quarter in the prior year (Did the business experience a decline in revenues of more than 20% during Q1 2020 vs. Q1 2019, or in Q2 2020 vs. Q2 2019?)
- Credit amount available:
 - Covers 70% of qualified wages, including qualified health plan expenses, up to \$10,000 in qualified wages per employee per calendar quarter
 - Caps credit at \$7,000 per employee per quarter (maximum of \$14,000 per employee for both Q1 and Q2 2021)
- Qualified Wages:
 - Employers with >500 FTE's – wages paid to employees not performing services due to COVID-19 related circumstances (either suspension of operations or reduction in gross receipts)
 - Employers with <500FTE's – all employees' wages paid
 - Includes employer's "properly allocable" qualified health plan expenses
 - Excludes wages taken into account under paid sick/family leave (FFCRA)(those that receive a 100% credit)
- Expands availability of ERTC until June 30, 2021 (originally set to end on Dec 31, 2020)

- Consolidated Appropriations Act (CAA) removed restriction preventing employers with PPP loans from claiming retention credits
- Now, employers can claim the employee retention credit on any eligible wages not used to support PPP loan forgiveness
- Any wages that could not count toward both provisions can be applied to either, but not both, at the employer's election

Pay Codes

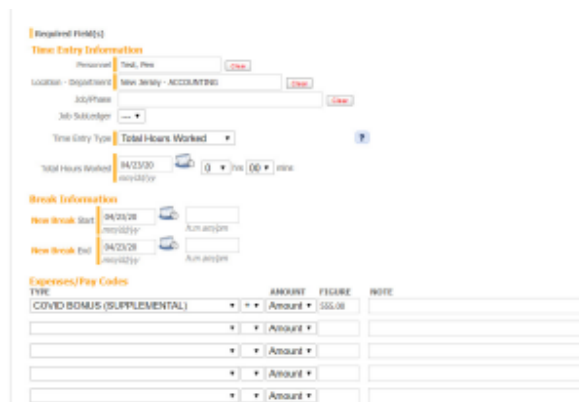
- The pay code below should be used for employers with > 100 FTE's
 - **COVID NO WORK** – COVID19ERTCNOWK
- The pay codes below should be used for employers with < 100 FTE's
 - **COVID REG PAY** – COVID19ERTCREG
 - **COVID OVERTIME PAY** – COVID19ERTCO/T
 - **COVID PAID TIME OFF** – COVID19ERTCPTO
 - **COVID SICK PAY** – COVID19ERTCSICK
 - **COVID VACATION PAY** – COVID19ERTCVAC
 - **COVID HOLIDAY PAY** – COVID19ERTCHOLS
 - **COVID BONUS SUPPLEMENTAL** – COVID19ERTCBONS
 - **COVID COMMISSION SUPPLEMENTAL** – COVID19ERTCCOMS
 - **COVID BONUS** – COVID19ERTCBON
 - **COVID COMMISSION** – COVID19ERTCCOM

Note: In order to calculate and receive the correct Employee Retention Tax Credit, a COVID pay code must be used to record time and time-off hours as well as additional pay types.

Employee Time Entry

To add a retention pay code to an employee's time sheet:

- In time tracker or payroll, you will edit the entry and add it as an expense.



Required Field(s)

Time Entry Information

Employee: [Name] [Edit] [Clear]

Location: [Department] [Edit] [Clear]

Job Title: [Job Title] [Edit] [Clear]

Time Entry Type: [Total Hours Worked] [?] [Clear]

Total Hours Requested: [04/23/20] [0] [00] [00] [Clear]

Break Information

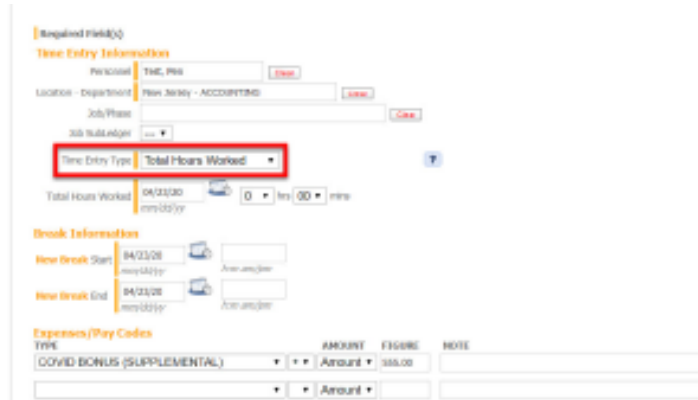
New Break Start: [04/23/20] [AM/PM] [Clear]

New Break End: [04/23/20] [AM/PM] [Clear]

Expenses/Pay Codes

| TYPE | AMOUNT | FIGURE | NOTE |
|----------------------------|--------|--------|------|
| COVID BONUS (SUPPLEMENTAL) | Amount | 555.00 | |
| | Amount | | |
| | Amount | | |
| | Amount | | |
| | Amount | | |

b) Create a “Total Hours Worked” entry and add the pay code.



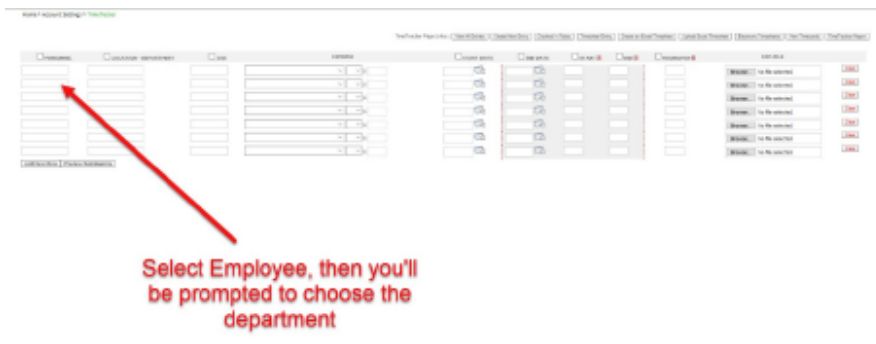
Multiple Time Sheet Entries

To add pay codes to multiple employees or in mass:

a) Enter the time tracker, then click on “Timesheet Entry.”



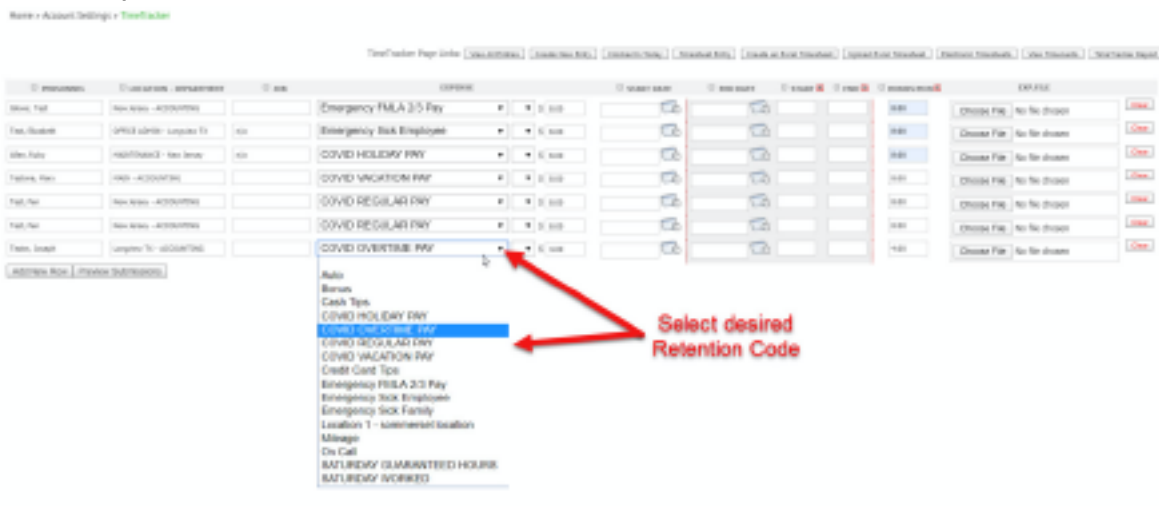
b) Choose ‘Employee,’ then the ‘Department’ will auto-populate unless multiple departments are assigned.



Select Employee, then you'll be prompted to choose the department

*****NOTE: CHECKING OFF BOXES NEXT TO PERSONNEL LABEL WILL FILL ALL BOXES WITH THE SELECTED EMPLOYEE*****

c) Under 'Expense', select the desired retention hours or time-off code.



TimeTraxer Page Links: [Account Settings] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry]

EXPENSE


Emergency FMLA 3-5 Pay
Emergency Sick Employee
COVID HOLIDAY PAY
COVID VACATION PAY
COVID REGULAR PAY
COVID REGULAR PAY
COVID OVERTIME PAY

Select desired Retention Code

d) Hours need to be entered **TWICE**

- First, in HH.MM next to the Expense, and
- Second, in HH:MM format under Hours:Min.

Add additional lines by choosing "Add New Row" or submit for your review by clicking on "Preview Submissions."



TimeTraxer Page Links: [Account Settings] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry]

EXPENSE

Add additional rows

Review entries for submission

Enter Hours in decimal form (HH.MM)

Enter hours in minute form (HH:MM)

e) Review all submitted entries and "Confirm and Submit" when ready. "Modify Entries" will allow you to update the existing data **without it being deleted**.



TimeTraxer Page Links: [Account Settings] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry] [Create New Entry]

REVIEW

Review screen: "Modify Entries" if changes necessary "Confirm and Submit" when done and ready