Employee Retention Tax Credit – Prism Employee Assignment

How to allocate employees and sign up for the Employee Retention Tax Credit in SaaShr.

Please note: By using the Employee Retention Tax Credit (ERTC) pay codes at any time, you are effectively opting into those tax credits and are confirming your 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 on the G&A Partners Client Resources page for additional information related to your responsibilities as a client employer of G&A Partners. **To determine your eligibility for the ERTC based on your employee count, please use your average full-time employee count in 2019 while factoring in all controlled groups, including those belonging to 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
  - Credit is capped at $7,000 per employee per quarter (maximum of $14,000 per employee for both Q1 and Q2 2021)
- Qualified Wages:
  - Employers with more than 500 full-time employees (FTEs) paid wages to employees not performing services due to COVID-19-related circumstances (either suspension of operations or reduction in gross receipts)
  - Employers with fewer than 500 FTEs paid all employees' wages
  - Includes employer's "properly allocable" qualified health-plan expenses
  - Excludes wages taken into account under paid sick/family leave for those employers who received a 100% credit under the Families First Coronavirus Response Act (FFCRA)

- Expands availability of ERTC until June 30, 2021 (originally set to end on Dec 31, 2020)
- Consolidated Appropriations Act (CAA) removed the restriction preventing employers with Paycheck Protection Plan (PPP) loans from claiming retention credits; employers may now claim the ERTC on any eligible wages not used to support PPP loan forgiveness
- Any wages that could not count toward both provisions (PPP or ERTC) can be applied to either, but not both, at the employer's election

Pay Codes

- The time-off code below should be used for employers with greater than 100 FTEs
  - COVID NO WORK = COVID19ERTCNOWK
- Employers with fewer than 100 FTEs should use the instructions below to begin assigning employee wages to COVID pay codes.

Assign Employee ERTC Eligibility

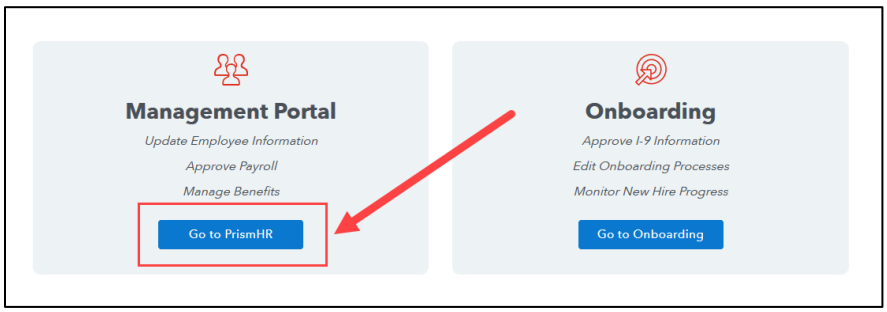
In order to calculate and receive the correct Employee Retention Tax Credit, a COVID pay code must be used to record employee hours. To ensure the correct pay codes are used, we have developed two options to support your business needs. Your Client Advocate or Payroll Admin will assist with defining the option that best fits your business practices.

- Option 1: Work Groups (Preferred) – Please follow the steps on pages 2-5.
- Option 2: Cost Centers – Please follow the steps on pages 6-9.

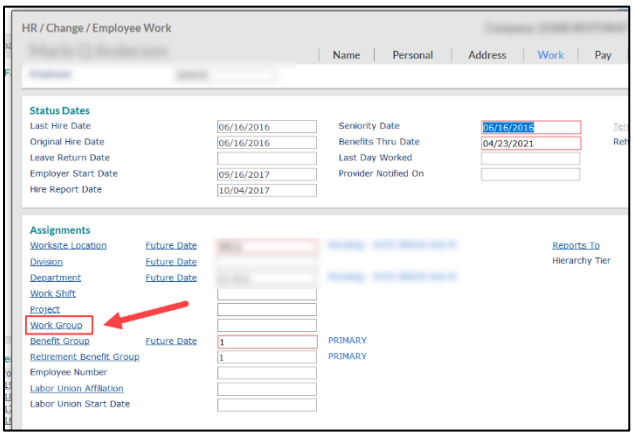
Work Groups

If your company is using Work Groups, follow the steps below:

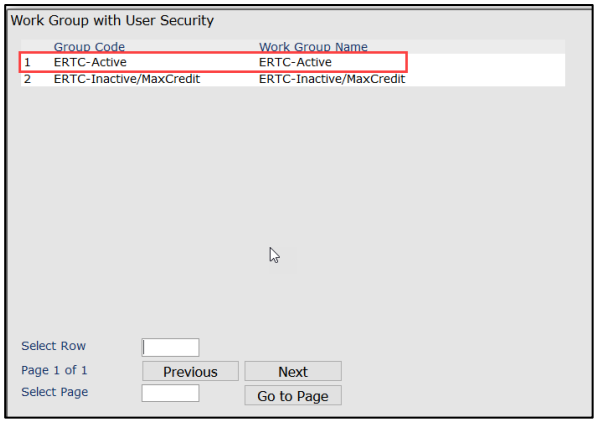
a) Access your “Management Portal” via WorkSight 2.0

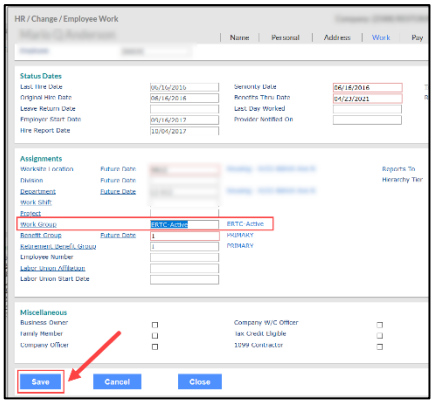


b) Select the employee record from your home screen. Under the “Work” tab, and then select the “Work Group” hyperlink.

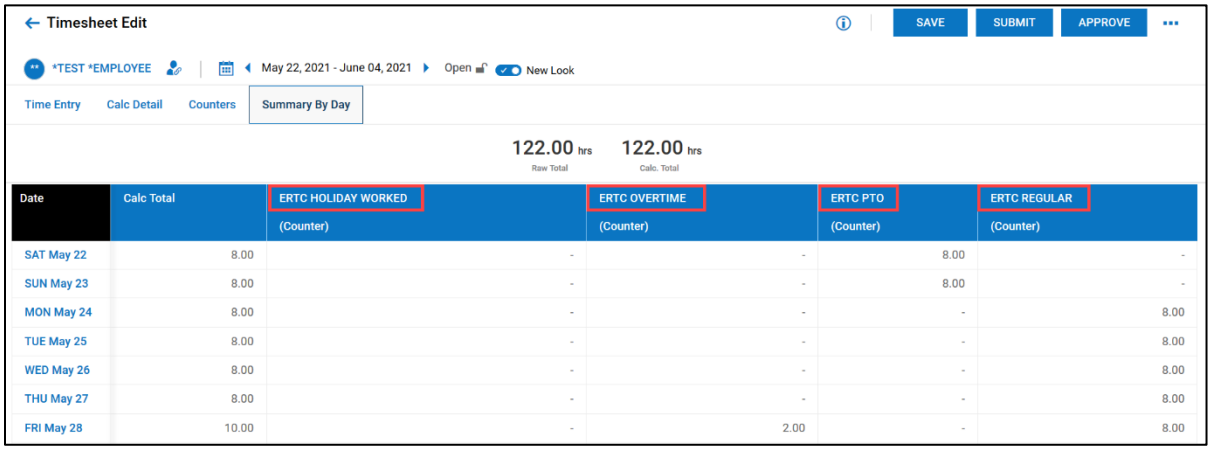


c) Select “ERTC-Active” from the list and save the employee’s profile.





d) Once the Work Group is assigned as “ERTC-Active” within Prism, the employee’s time and time-off entries will automatically be assigned to ERTC pay codes within SaaShr. The ERTC pay codes will be visible on all tabs of the timesheet as shown below.

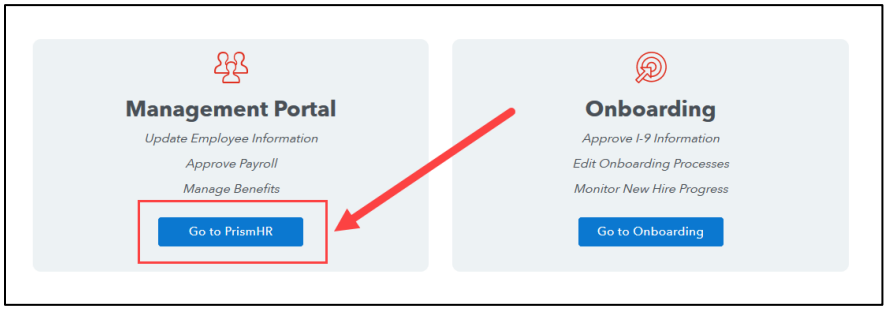


Date	Calc Total	ERTC HOLIDAY WORKED (Counter)	ERTC OVERTIME (Counter)	ERTC PTO (Counter)	ERTC REGULAR (Counter)
SAT May 22	8.00	-	-	8.00	-
SUN May 23	8.00	-	-	8.00	-
MON May 24	8.00	-	-	-	8.00
TUE May 25	8.00	-	-	-	8.00
WED May 26	8.00	-	-	-	8.00
THU May 27	8.00	-	-	-	8.00
FRI May 28	10.00	-	2.00	-	8.00

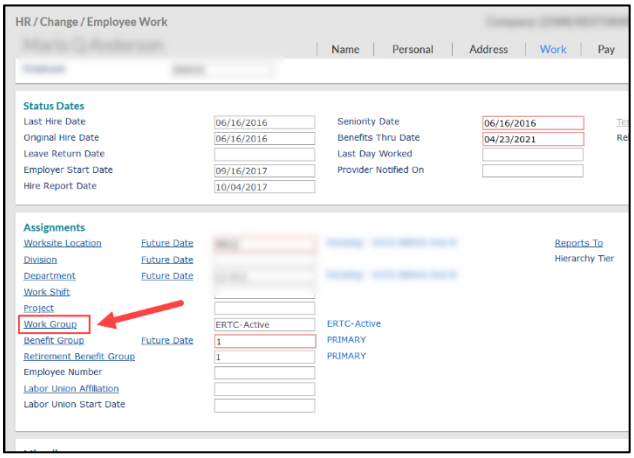
Inactive Eligibility when Employee Hits Maximum Credit for the Quarter – Work Groups

Once an employee has met the maximum retention credit for the quarter, your Payroll Specialist will notify you. At that time, you will need to update the employee's profile in Prism to revert their Retention Eligibility status to "ERTC-Inactive/MaxCredit." Follow the steps below to make this change:

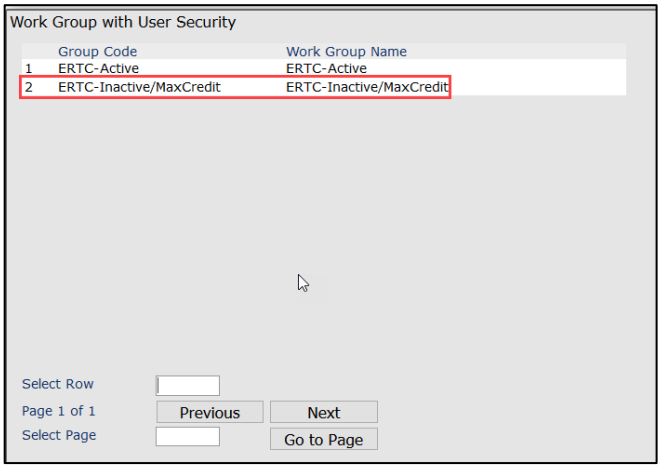
a) Access your "Management Portal" via WorkSight 2.0

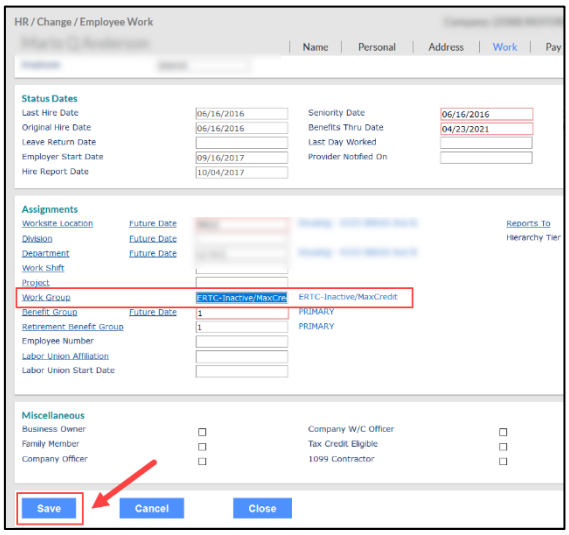


b) Select the employee record from your home screen. Under the "Work" tab, select the "Work Group" hyperlink.

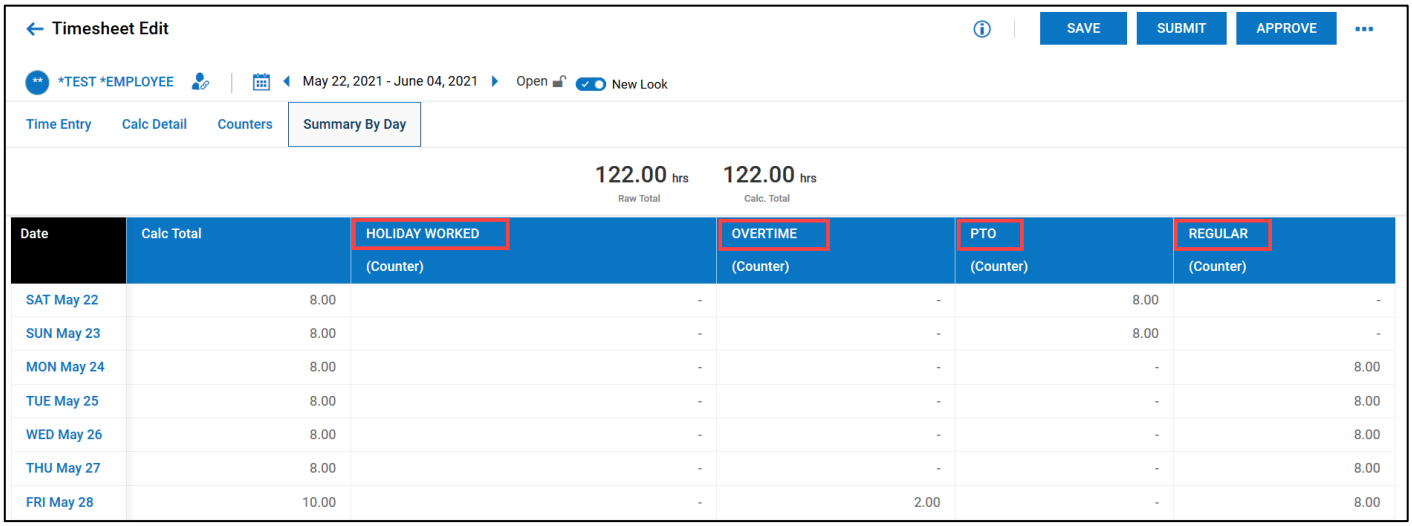


c) Select “ERTC-Inactive/MaxCredit” from the list and save the employee’s profile.





d) Once the Work Group is assigned as “ERTC-Inactive/MaxCredit” within Prism, the employee’s time and time-off entries will automatically be reverted to non-ERTC pay codes.



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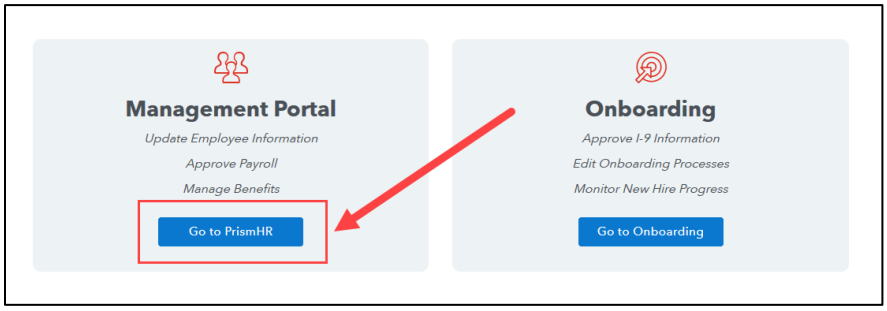
WED May 26	8.00	-	-	-	8.00
THU May 27	8.00	-	-	-	8.00
FRI May 28	10.00	-	2.00	-	8.00

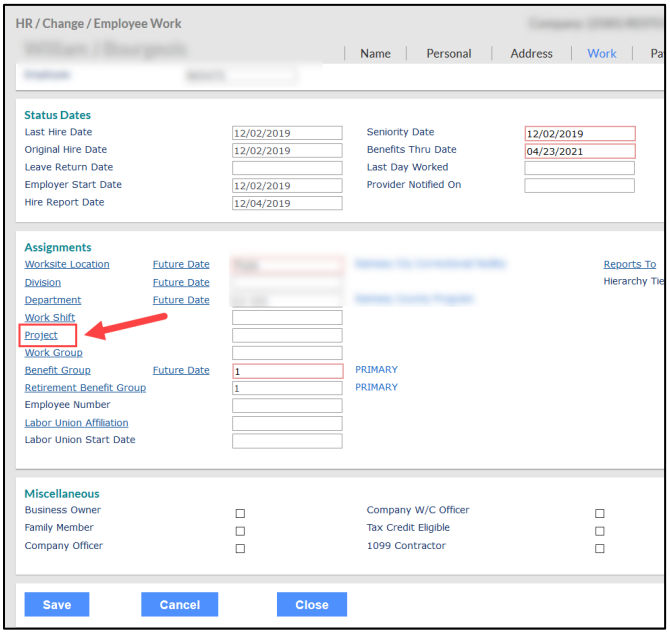
Cost Centers

If your company is using Cost Centers for ERTC eligibility, follow the steps below:

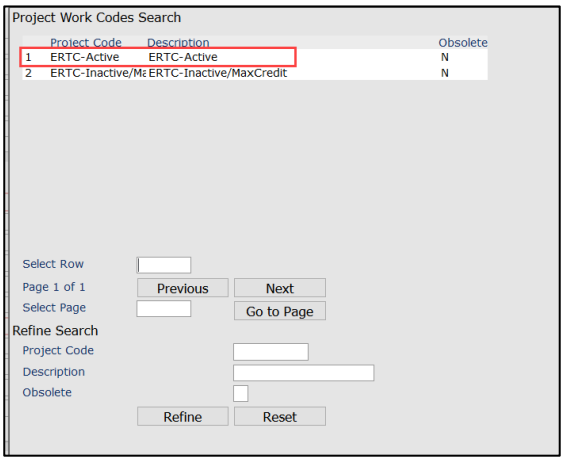
a) Access your “Management Portal” via WorkSight 2.0

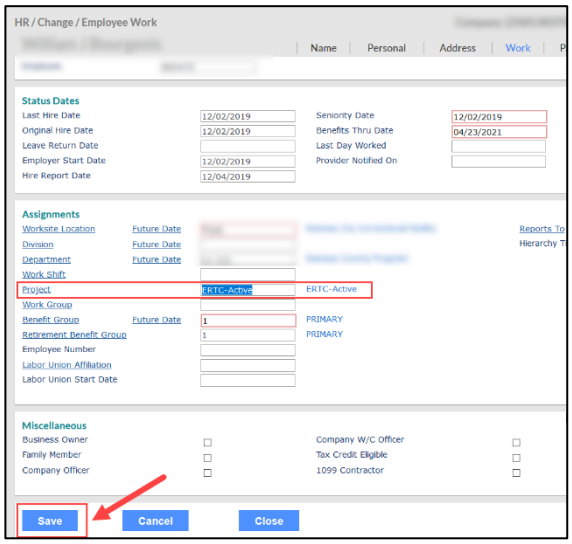


b) Select the employee record from your home screen. Under the “Work” tab, select the designated Cost Center hyperlink. This will be shared with you by your G&A team. If you have questions about which Cost Center you should be using, contact your G&A Client Advocate/HR Generalist or Payroll Specialist. For this example, we are using “Projects.”

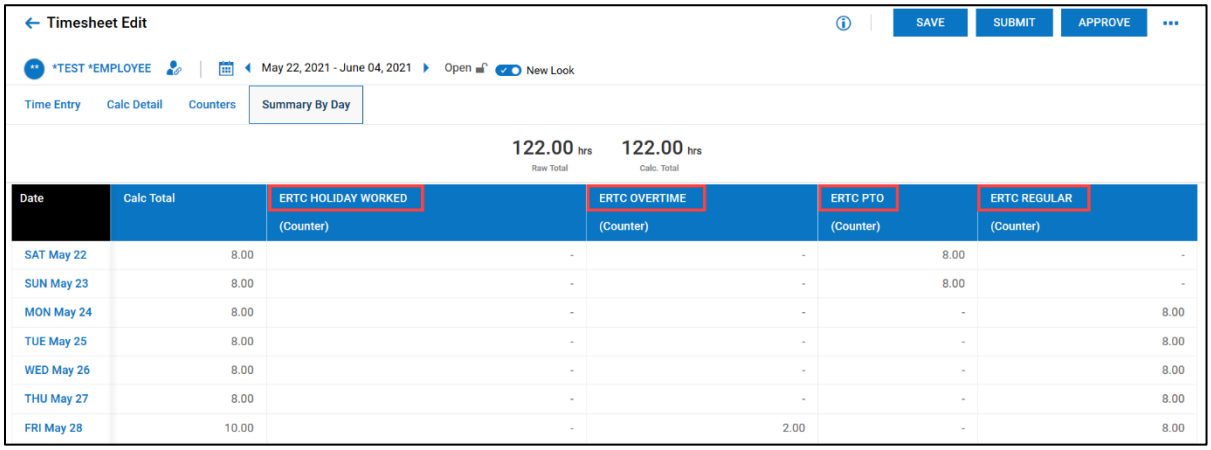


c) Select “ERTC-Active” from the list and save the employee’s profile.





d) Once the Cost Center is assigned as “ERTC-Active” within Prism, the employee’s time and time-off entries will automatically be assigned to ERTC pay codes within SaaShr. The ERTC pay codes will be visible on all tabs of the timesheet as shown below.



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Inactive Eligibility when Employee Hits Maximum Credit for the Quarter – Cost Centers

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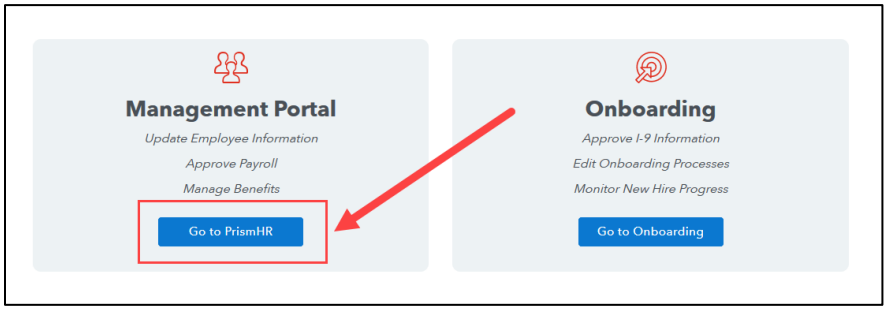

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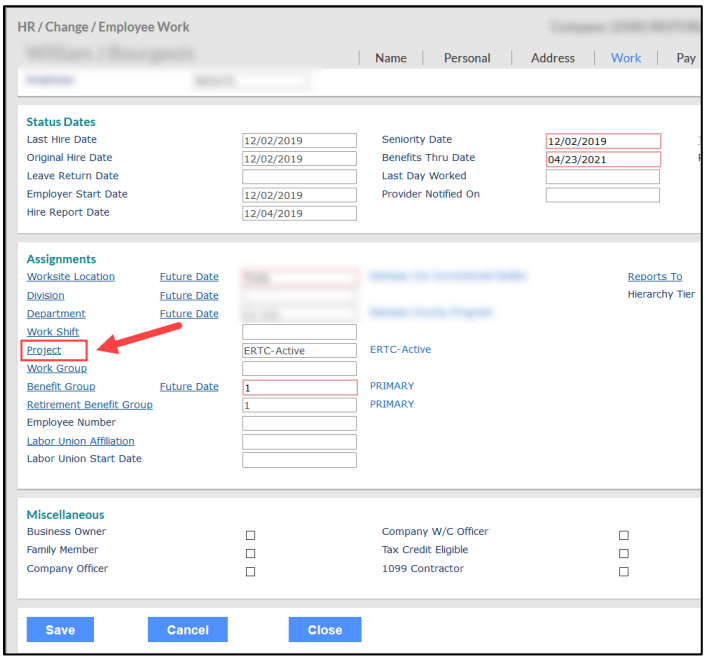

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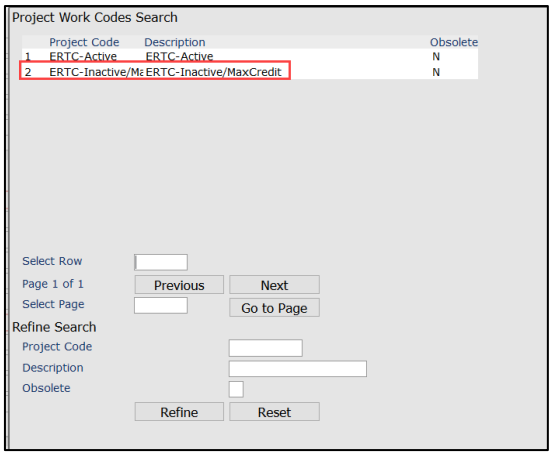

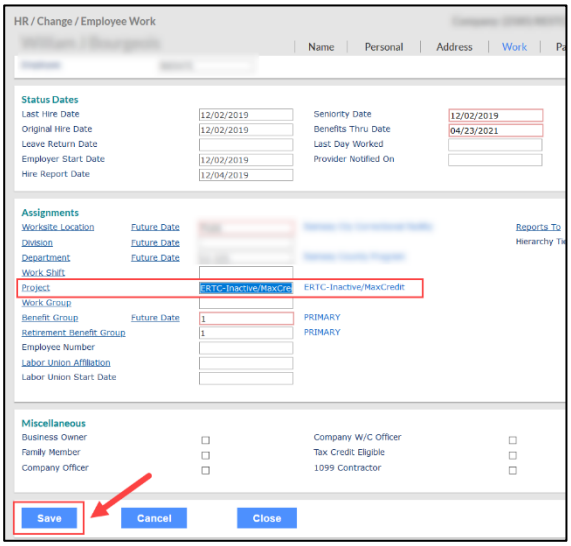

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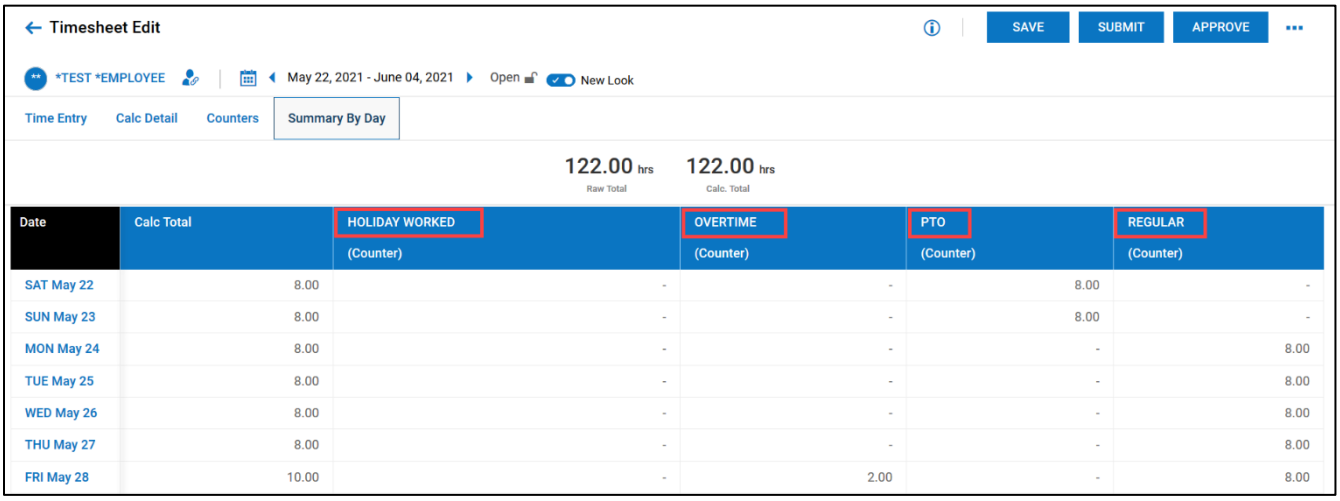

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FRI May 28	10.00	-	2.00	-	8.00