



Newsletter

from

Payroll Advantage, Inc.

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CALENDAR REMINDERS:

Nov 15:
941 Deposit due.

Nov 20:
State deposits due for
monthly payers

FUN FACT:

According to *Business Week*, "processing your own payroll requires 54 steps and eats up between 40 to 60 hours each year, even for two-employee companies."

WANT MORE

INFO? Visit us online:

www.payrolladvantageinc.com

or email us at: contact@payrolladvantageinc.com

Toll free:

1-877-572-1040

Ben Says:

"An ounce of prevention is worth a pound of cure."



Being Aware Or Common Payroll Errors May Help You Avoid Them.

Human errors cause all payroll mistakes. The biggest problems result when the person who processes your payroll is under qualified.

Watch out for mistakes in the following areas.

Mathematical:

- It is easy to make mistakes when adding, subtracting, multiplying, and dividing.
- People make mistakes whether doing the math mentally or when using a calculator.
- When using a chart, the eye or finger may slip to the wrong line or column.
- Multiplying percentages for social security, Medicare, federal and state withholdings, and then subtracting those deductions from wages are major areas for mistakes.
- Complicated payrolls result in more mistakes. It is easy to make mistakes when computing insurance, IRA, 401K deductions, and matching funds, and when computing paid sick or vacation days.
- *To process a payroll correctly, double check each piece of information and recalculate every math function.*

Mechanical:

- It is easy to make a mistake when writing down a number or keying it into a software program, even when the math is correct.
- Omitting or duplicating information on the check or reports can result in huge errors.
- *Always review the information before printing the check and the final report.*

Hours:

- According to The American Payroll Association, employees who manually fill in time cards over-report hours by an average of 10 minutes a day resulting in an overpayment of wages by \$253.50 per year per employee! (Figured on a five-day workweek at minimum wage)
- Adding hours and overtime incorrectly and confusion about commissions and piece work payments all result in errors.
- *Reporting hours carefully and attention to detail is necessary.*

Forms:

- A mistake on one paycheck can make all your quarterly reports wrong.
- Mistakes in reporting social security, FICA and Medicare are common.
- Missing or wrong information on a W-4 will result in incorrect withholding, making the employment commission report wrong.
- Incorrect State Employment Commission Reports may result in an employee being ineligible for unemployment benefits.
- *Make certain that all information is complete and correct.*

Meeting deadlines:

- You must file quarterly reports and make payments to the government agencies according to their deadlines to avoid penalties and fines.
- *Mark deadlines on your calendar to avoid costly mistakes.*

Outsourcing your payroll means you can eliminate the expensive training and maintenance of payroll staff. The experienced personnel at **Payroll Advantage, Inc.** guarantee that your payroll is accurate, prompt and professional.

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