

Greenshades Software

Managing FFCRA



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Contents

- 1 How can Greenshades help with offering paid sick leave and FMLA to covered employees? 2
 - 1.1 Best practices for setting up PTO codes in GP, for Greenshades Time Off codes to link to 2
 - 1.1.1 *If using standard GP Payroll:* 4
 - 1.1.2 *If using PTO Manager in Dynamics GP:* 5
 - 1.1.3 *If using Time and Attendance module within Dynamics GP:* 5
 - 1.2 Setting up Time Off Codes on Greenshades Online 7
 - 1.3 Employees requesting Time Off through GreenEmployee 8
 - 1.4 If using Greenshades Timesheets module 9
- 2 How can Greenshades help with businesses claiming tax credits associated with FFRCA? 11
 - 2.1 Payroll Tax Service 12
 - 2.1.1 *Applying tax credits towards Employer tax liability* 12
 - 2.1.2 *Reporting tax credits on the quarterly Federal Form 941* 13
 - 2.2 Greenshades Online Tax Filing Center 13
 - 2.2.1 *Reporting tax credits on the quarterly Federal Form 941* 13
 - 2.3 Greenshades Tax Filing Center (desktop version) 14
 - 2.3.1 *Reporting tax credits on the quarterly Federal Form 941* 14

1 How can Greenshades help with offering paid sick leave and FMLA to covered employees?

1.1 Best practices for setting up PTO codes in GP, for Greenshades Time Off codes to link to

The Families First Coronavirus Response Act, passed in March 2020, is making paid sick leave available to eligible employees on April 1 2020. The FFCRA has 2 main components to it:

1. Up to 80 hours of paid sick leave, at 100% wages or 2/3 wages for qualified reasons
2. Up to 12 weeks of Family Medical Leave (first 2 weeks UNPAID, followed by 10 weeks of PAID leave), for qualified reasons

More information on the FFCRA, including employee eligibility and maximum payouts can be found on the [Greenshades website](#).

General best practice is to track this paid sick leave and FMLA as closely and meticulously as possible, for auditing and reporting purposes. Ideally, you should create new, dedicated codes for tracking this special paid sick leave, with a minimum of:

- a. 2 new codes (1 for COVID Quarantine time off, paid out 100% of wages with applicable maximums, and 1 for COVID Caregiver time off, paid at 2/3 of wages with applicable maximums in place).
- b. An additional unique code for Paid Family Leave is also recommended for tracking the Paid Family Leave portion of the FFCRA.

New Time Off / PTO codes created in Dynamics GP can be linked to Greenshades Online for Time Off tracking and submissions by employees.

Please keep in mind: In addition to new PTO codes ideally created in GP, it is also a best practice to create new Pay Codes specifically used for this sick leave and FMLA payout, to ensure this can be easily tracked and reported on for tax credits and audit purposes at a later date. Similar to Time Codes, it is a best practice to have at least one Pay Code for Caregiver payout, one Pay Code for Quarantine payout, and one Pay Code for FMLA payout. For ease of use and to cut down on potential edits, consider create 6 total Pay Codes:

- 1 for Salary Quarantine payout (paid out at 100% of employee standard pay rate)
- 1 for Hourly Quarantine payout (paid out at 100% of employee standard pay rate)
- 1 for Salary Caregiver payout (paid out at 2/3 of employee standard pay rate)

- 1 for Hourly Caregiver payout (paid out at 2/3 of employee standard pay rate)
- 1 for Salary Paid FMLA payout (paid out at 2/3 of employee standard pay rate)
- 1 for Hourly Paid FMLA payout (paid out at 2/3 of employee standard pay rate)

An example Pay Code has been included below

Additional discussions on this topic, including mass updates to pay rates on GP Pay Codes, can be found on the [GPUG forum thread](#), the [GP community thread](#), and the [official blog on this topic from Dynamics GP](#). Please note however, higher wage earning employees may need their pay rate maximum monitored carefully, in accordance with the [maximum payout rules](#) associated with COVID-19 National Paid Sick Leave and Public Health Emergency Leave.

Regarding 'Subject To Taxes' setup on Pay Codes, please note in most cases the employee will be taxed so we want to make sure on the pay code it is subject to tax. [Per the IRS FAQ on tax credits](#) however, Employer portion of Social Security tax should NOT be withheld. In Dynamics GP there is not an option to tax employee and employer separately for FICA, and there are no plans to change it at this time. Dynamics GP does track these values separately in the following tables. In the UPR30100 check history table, these values are stored by check date employee detail and in the UPR30200 these values are stored in summary by audit trail code . The UPR30200 table can be seen by going to Tools | Utilities | Payroll | Edit Liabilities. In the screenshot below, the Medicare tax is being highlighted, but Social Security is also listed in this window/table. More information on this topic can be found in the [GP blog](#).

Check Date	Audit Trail Code	Federal Tax W/H	FICA Soc Sec Tax W/H	FICA Med Tax W/H
9/1/2027	UPRCC00000047	\$2,368.11	\$1,789.94	\$418.65
		\$0.00	\$1,789.93	\$418.61
10/1/2027	UPRCC00000048	\$2,281.76	\$1,748.97	\$409.03
		\$0.00	\$1,748.96	\$409.03
11/1/2027	UPRCC00000049	\$2,301.76	\$1,755.79	\$410.60
		\$0.00	\$1,755.79	\$410.63
12/1/2027	UPRCC00000050	\$2,122.77	\$1,638.36	\$383.16
		\$0.00	\$1,638.36	\$383.16
0/0/0000		\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00

1.1.1 If using standard GP Payroll:

Dynamics GP Payroll module, when not using PTO Manager or GP HR Time and Attendance, is limited to 2 base time off codes: Vacation, and Sick. Because of this, it is

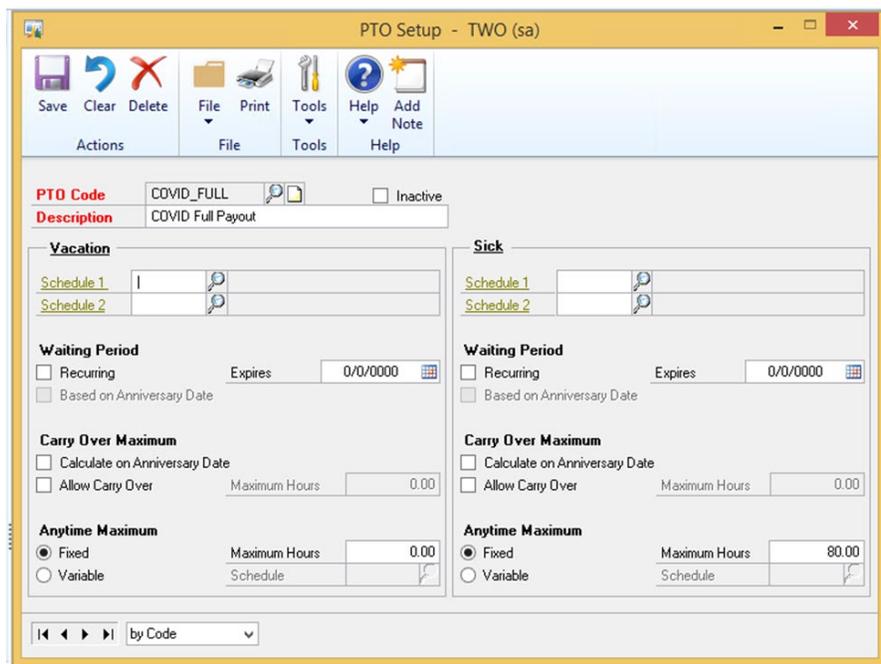
recommended to configure Time Codes through GP HR to link to Greenshades Online for sick leave management.

1.1.2 If using PTO Manager in Dynamics GP:

PTO Manager is available for Dynamics GP Payroll and allows flexibility for creating unique and custom codes for tracking and managing paid sick leave. PTO codes created in GP will sync to Greenshades Online for Time Off management. Best practice is to create at least 3 total codes:

1. PTO for Quarantine Time Off
2. PTO for Caregiver Time Off
3. PTO for Paid FMLA Time Off

Additional information on PTO Manager can be found on at [Microsoft Dynamics GP Paid Time Off Manager](#)



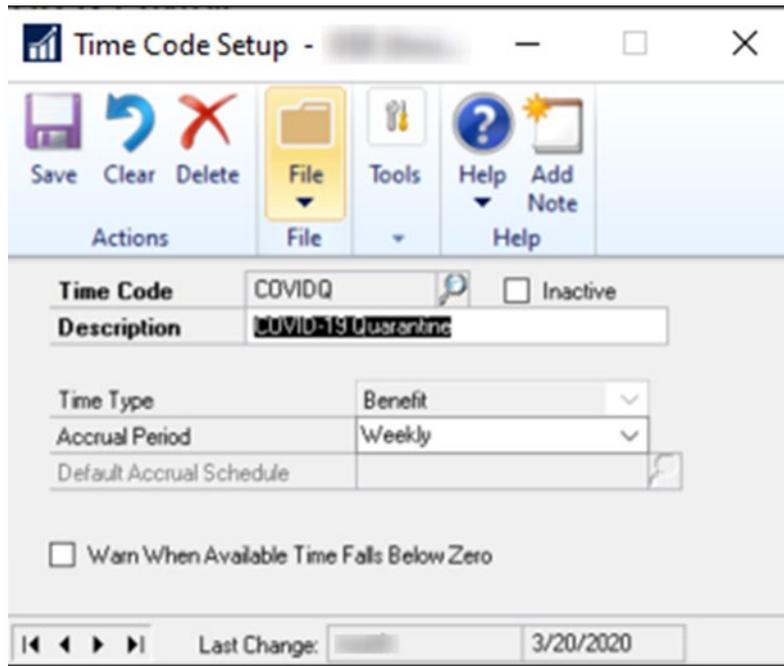
1.1.3 If using Time and Attendance module within Dynamics GP:

Creating unique Time Codes for tracking leaving within GP Time and Attendance, is an additional method for tracking employee sick time related to COVID. A screenshot of an example Time Code can be found below, and additional information on configuring GP

Time and Attendance in Dynamics GP Human Resources can be found in the Human Resources GP user guide (chapter 4) available for download at [Human resources and payroll guides](#)

Similar to the PTO Manager setup mentioned above, the best practice is to create at least 3 total codes:

1. Time Code for Quarantine Time Off
2. Time Code for Caregiver Time Off
3. Time Code for Paid FMLA Time Off



1.2 Setting up Time Off Codes on Greenshades Online

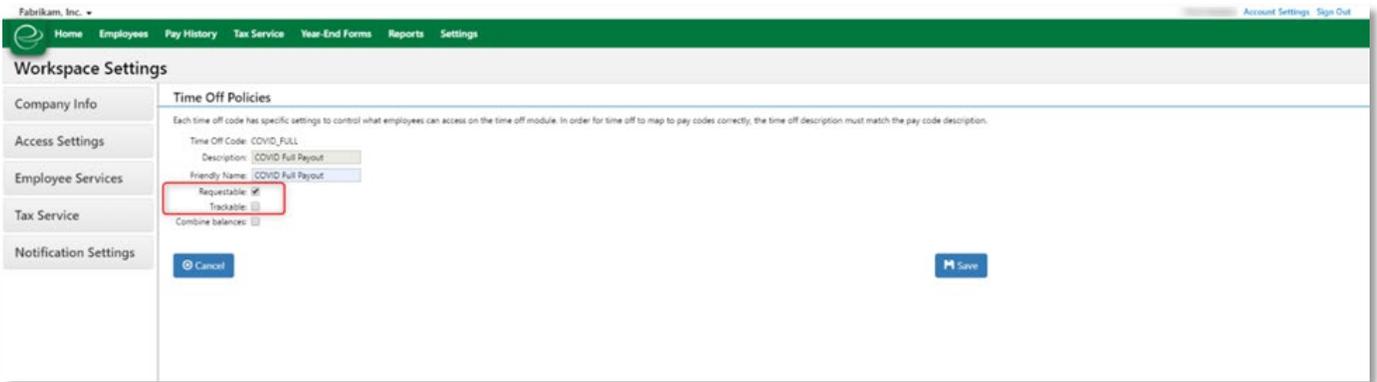
Once new Sick Leave codes have been configured in Dynamics GP, in order for these new codes to be configurable on Greenshades Online, you must first run a 'sync' to ensure the new codes are available for mapping on Greenshades Online, such as shown in the example above.

The screenshot displays the 'Workspace Settings' interface for 'Fabrikam, Inc.'. The 'Time Off Policies' section is active, showing a table of configured codes. The table has the following structure:

Time Off Code	Friendly Name	Is Requestable?	Is Trackable?
Edit COVID_FULL	COVID Full Payout	Requestable	Not Trackable
Edit COVID_BART	COVID Partial Payout	Requestable	Not Trackable
Edit PTO_C1	PTO 1	Requestable	Trackable
Edit PTO_C2		Not Requestable	Trackable
Edit PTO_C3		Not Requestable	Not Trackable
Edit PTO_EDU	PTO EDU	Requestable	Trackable
Edit PTO_FAM		Not Requestable	Trackable
Edit PTO_FML		Not Requestable	Trackable
Edit PTO_PER	Personal	Requestable	Trackable
Edit PTO_SICK	Sick	Requestable	Trackable

After identifying the new Time Off code that should be configured for employee Time Off access, select 'Edit' and choose from the configurable options shown below. Selecting 'Requestable' will ensure your employees have access to select this Time Off type on GreenEmployee when submitting a time off request. 'Trackable' will determine whether a current leave balance will be displayed for this employee to see on GreenEmployee. Depending on the nature of code management an employer chooses to utilize within Dynamics GP, an employer may choose to have a maximum balance configured (such as 80 hours) to be displayed to the employee on GreenEmployee. In this event, if you believe the balance within Dynamics GP is accurate, selecting 'Trackable' may be the correct setup for your business. However, due the complexity involved in determining the number of sick leave hours an employee may be eligible for, especially for hourly employees, many employers may choose to manually manage these sick leave hours as Time Off requests are generated, on a per-employee basis. Keeping 'Trackable' unchecked will best support this structure and will ALLOW employees to submit a Time Off request against this Time Off code type on GreenEmployee, however an available balance will NOT be shown to the employee. An example of this configuration can be found in the [Employees requesting Time Off through GreenEmployee](#) selection below. Please note, if using Greenshades Timesheets module, please see [If using Greenshades Timesheets module](#) before communicating availability of Time Off codes to your employees.

Managing FFCRA



1.3 Employees requesting Time Off through GreenEmployee

When employees are viewing and submitting their time off request through Greenshades, it is a best practice to encourage your employees to use the comment field (see *figure 1*, below) to provide sufficient reasoning for qualifying for this paid sick leave per the Department of Labor's [guidelines](#) and [temporary rule](#).

In the event that your organization chooses to NOT set your COVID-19 leave codes to be 'Trackable', as described in the section [Setting up Time Off Codes on Greenshades Online](#), employees will still be able to submit a Time Off request for these Time Off code types, however an available Sick Leave balance will NOT be displayed for the employee to see (as shown in *figure 2*, below).

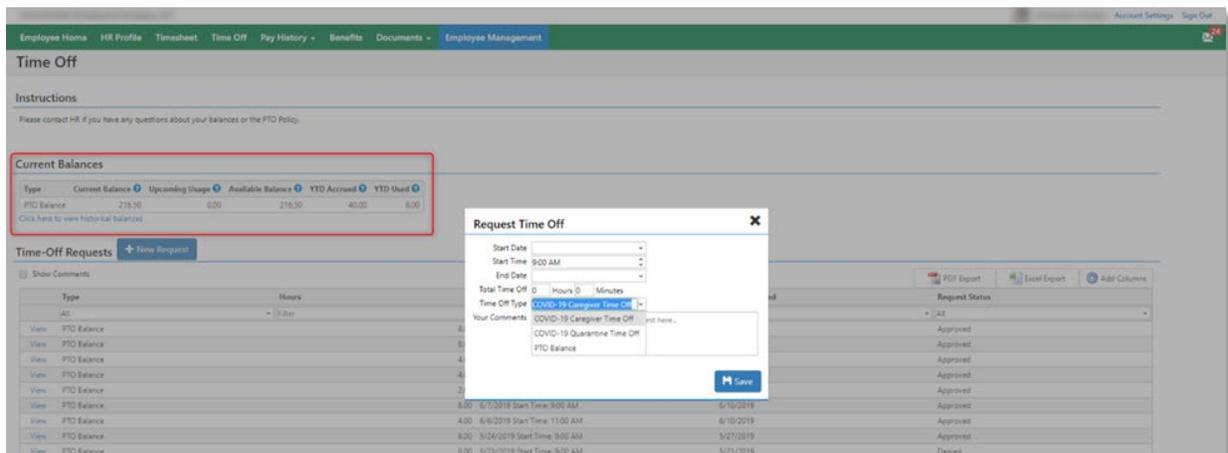


Figure 2

1.4 If using Greenshades Timesheets module

Please note, if you are using Greenshades Online Timesheets module for tracking employee time, a new Greenshades Online Time Code will need to be configured for each new code created within Dynamics GP.

First, setup a new Time Code on Greenshades Online for each new Pay Code created within Dynamics GP. Be sure to map the 'HR Time Code' to the applicable GP HR Time Code if applicable [If using Time and Attendance module within Dynamics GP](#): Be sure to map each Greenshades Time Code to the applicable 'Time Off Name', which will create the association between the Time Off code an employee can request off, and create the applicable entry on the employee's Greenshades Timesheet. Once Timesheets are synchronized to Dynamics GP Payroll, the applicable Pay Code will be applied on the GP Payroll batch to ensure proper payment is made to the employee.

After Time Codes are configured, set each applicable Pay Group to be eligible for the correct Time Code, which will ensure the Time Codes can correctly be included on the employee's Greenshades timesheet after the Time Off request has been approved and taken.

The screenshot shows the 'Time Code Setup' form in the Greenshades Online interface. The form is titled 'Time Code Setup' and has a green navigation bar at the top with links for Home, Employees, Pay History, Tax Service, Year-End Forms, Reports, and Settings. The form fields include: Name: 'Hourly COVID 19 Caregiver Time Off'; Type: 'Sick'; Accounting Package Pay Code: 'HRCOCA'; Import entries with this time code to the accounting package: checked; HR Time Code: 'TA_COVIDC'; Time Off Name: 'COVID-19 Caregiver Time Off'; Visible to Clock In: unchecked; Visible during Manual Entry: checked for Managers, unchecked for Employees; Managers may edit Time Entries: checked; Employees may edit Time Entries before submission: unchecked; Enable Differential Schedule: unchecked. At the bottom, there are three buttons: 'Cancel', 'Delete', and 'Save'.

Figure 3

Pay Group Setup

Edit Pay Group Hourly

General

Paygroup Information

Name: Hourly
Holiday schedule: System
Time off policy: Policy

Default Settings for Time Codes

Time Code: Hourly
Holiday Time Code: Hourly Holiday
Shift duration (in hours): 8
Holiday duration (in hours): 8
Shift start time: 09:00 AM

Other Time Codes Allowed for This Group

- Select All
- Hourly
- Hourly COVID 19 Caregiver Supplemented PTO
- Hourly COVID 19 Caregiver Time Off
- Hourly COVID 19 Quarantine Time Off
- Hourly OPS (IT)
- Hourly PTO
- Hourly QA
- HR ACCT
- Lunch 2

Of the time codes selected above, only show codes associated to the employee in your accounting package

Figure 4

2 How can Greenshades help with businesses claiming tax credits associated with FFRCA?

In addition to the new Families First Coronavirus Response Act making paid sick leave available to eligible employees on April 1 2020, the FFCRA also allows employers to apply Sick Leave wages, qualified health insurance expenses, as well as employer's portion of Medicare taxes as tax credits towards payroll tax liability that employer's would typically be liable for after processing payroll. These credits can be applied for applicable sick leave wages between [April 1 2020 and December 31 2020](#), up to the maximum available amounts.

Here's the quote from the [IRS's news release](#).

PAID SICK LEAVE CREDIT

For an employee who is unable to work because of Coronavirus quarantine or self-quarantine or has Coronavirus symptoms and is seeking a medical diagnosis, eligible employers may receive a refundable sick leave credit for sick leave at the employee's regular rate of pay, up to \$511 per day and \$5,110 in the aggregate, for a total of 10 days.

For an employee who is caring for someone with Coronavirus, or is caring for a child because the child's school or child care facility is closed, or the child care provider is unavailable due to the Coronavirus, eligible employers may claim a credit for two-thirds of the employee's regular rate of pay, up to \$200 per day and \$2,000 in the aggregate, for up to 10 days. Eligible employers are entitled to an additional tax credit determined based on costs to maintain health insurance coverage for the eligible employee during the leave period.

CHILD CARE LEAVE CREDIT

In addition to the sick leave credit, for an employee who is unable to work because of a need to care for a child whose school or child care facility is closed or whose child care provider is unavailable due to the Coronavirus, eligible employers may receive a refundable child care leave credit. This credit is equal to two-thirds of the employee's regular pay, capped at \$200 per day or \$10,000 in the aggregate. Up to 10 weeks of qualifying leave can be counted towards the child care leave credit. Eligible employers are entitled to an additional tax credit determined based on costs to maintain health insurance coverage for the eligible employee during the leave period.

On March 31, 2020, the IRS also announced [available tax credits](#) for eligible employers through the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

While additional information is forthcoming from the IRS regarding the specifics of how this credit should be applied, including [About Form 7200, Advance Payment of Employer Credits Due to COVID-19](#), and what impact this will have on the quarterly Federal 941 form, Greenshades is preparing and here to help.

As discussed earlier in this document, there is no way in Dynamics GP to set the employer portion of Social Security Tax to NOT be applied, the Dynamics [GP blog on this topic does discuss how to manually reduce the tax liability](#) within Dynamics GP.

2.1 Payroll Tax Service

2.1.1 *Applying tax credits towards Employer tax liability*

Whether you are making your tax liability payments through Greenshades Payroll Tax Service or not, it's very important that you track any tax reductions/credits that you apply VERY closely. The Greenshades Compliance team is currently reviewing the recently published draft of the Federal 941 form for Q2 2020. While it's not yet final and details are still pending, we can confidently state that tracking this information closely now will make reconciliation and reporting at a later date much more manageable.

To assist with this tracking and tax payment liability reduction, Greenshades has three new fields on the page shown below, which allows users to input the value of the tax credit they intend to apply. After the values are inputted, an updated tax liability will be calculated. Tracking these values will be beneficial to the end user and will also allow the Year-To-Date Reconciliation to function as expected and continue to provide value to our clients.

These three new fields are:

1. FFCRA Employee Retention Credit
2. FFCRA Qualified Family Leave Credit
3. FFCRA Qualified Sick Leave Credit

Pay United States Federal Payroll Tax Liability (941-V)

IRS.gov

You owe \$49,458.94 for payroll run through 3/15/2020. Download Liability Spreadsheet
This payment is due by 4/29/2020 11:00 AM EST. Show Deadline Expiration
If the liability amounts appear to have incorrectly accounted for negative liabilities, please review negative checks.

Federal Income Tax	\$17,533.94
Employer Social Security	\$12,936.45
Social Security	\$12,936.45
Medicare	\$3,026.05
Employer Medicare	\$3,026.05
FFCRA Employee Retention Credit	\$0.00
FFCRA Qualified Family Leave Credit	\$0.00
FFCRA Qualified Sick Leave Credit	\$0.00
Total Payment	\$49,458.94

Payment Threshold: []
Payment Method: Bank Account: GS BANK [v]
Satisfies Payroll Liability Through: 3/15/2020

Please remit this payment on a future date.
 I submitted this payment myself outside of Greenshades.

Useful Links
Tax Information
Agency Contact Information

Year-To-Date Reconciliation
For the 2020 calendar year, your total liability and amount paid is:

Federal Income Tax	YTD Liability: \$17,533.94 YTD Payment: \$17,533.94 Current Payment: \$17,533.94 Difference: \$17,533.94
Employer Social Security	YTD Liability: \$12,936.45 YTD Payment: \$12,936.45 Current Payment: \$12,936.45 Difference: \$12,936.45
Social Security	YTD Liability: \$12,936.45 YTD Payment: \$12,936.45 Current Payment: \$12,936.45 Difference: \$12,936.45
Medicare	YTD Liability: \$3,026.05 YTD Payment: \$3,026.05 Current Payment: \$3,026.05 Difference: \$3,026.05
Employer Medicare	YTD Liability: \$3,026.05 YTD Payment: \$3,026.05 Current Payment: \$3,026.05 Difference: \$3,026.05
FFCRA Employee Retention Credit	YTD Liability: \$0.00 YTD Payment: \$0.00

Submit Payment

2.1.2 Reporting tax credits on the quarterly Federal Form 941

The Greenshades Compliance team is currently reviewing the recently published draft of the Federal 941 form for Q2 2020, as well as how Dynamics GP will be responding to the Form 941 changes. As soon as additional information becomes available, Greenshades will be updating the Federal 941 e-file process to account for any necessary changes.

2.2 Greenshades Online Tax Filing Center

Even if you are making your tax liability payments outside of Greenshades, directly to the IRS via EFTPS, it's very important that you track any tax reductions/credits that you apply VERY closely. The Greenshades Compliance team is currently reviewing the recently published draft of the Federal 941 form for Q2 2020. While it's not yet final and details are still pending, we can confidently state that tracking this information closely now will make reconciliation and reporting at a later date much more manageable.

2.2.1 Reporting tax credits on the quarterly Federal Form 941

The Greenshades Compliance team is currently reviewing the recently published draft of the Federal 941 form for Q2 2020, and monitoring guidance on how Dynamics GP will be responding to the Form 941 changes. As soon as additional information becomes available, Greenshades will be updating the Federal 941 e-file process to account for any necessary changes.

2.3 Greenshades Tax Filing Center (desktop version)

Even if you are making your tax liability payments outside of Greenshades, directly to the IRS via EFTPS, it's very important that you track any tax reductions/credits that you apply VERY closely. The Greenshades Compliance team is currently reviewing the recently published draft of the Federal 941 form for Q2 2020. While it's not yet final and details are still pending, we can confidently state that tracking this information closely now will make reconciliation and reporting at a later date much more manageable.

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