

Interface

Making Ministry Manageable



2015 Federal Tax Table

The 2015 Federal Income Tax Withholding Table is now available on the RDS Advantage website at www.rdsadvantage.com. Click on the "Client Center" button, and login to locate the tax table link under "RDS Downloads." Print the tax table, go to PR121 Withholdings Tax Table Maintenance, Add mode, enter the information and click OK.

When you are ready to begin processing the first 2015 payroll, go to PR199 Payroll Options and change the payroll year to 2015 so the system will refer to the new withholding table when calculating taxes. The Oklahoma table will be posted to the website as soon as it is available. Clients using other state tables should contact RDS if they need further assistance.

Backups

Occasionally we receive a call telling us they have experienced a computer crash and they do not have a recent backup of their data. *Sadder words can hardly be heard.*

Today backing up your data has never been easier, less time consuming or inexpensive. To backup your RDS Advantage data you only need to select one folder together with its sub-folders -- ADVDATA. Look on your RDS login screen at the line just below "Folder:" (a little bit indented). This is what you want to backup. This includes all the data in the system.

Marilyn suggests: - "A lot of our clients are backing up to flash drives and overwriting the backup each time. If the files are corrupted on their hard drive they may backup bad files and never realize it. You should always have a series of backups to choose from when you want to restore a file."

Group Term Life Insurance

At the end of each year, we receive questions about adding the Group Life Insurance (GTLI) employee benefit to W2's. The rules for handling GTLI can be found in Publication 15-B at www.irs.gov.

The easiest way to properly implement these rules is to include the amount of the benefit as a positive taxable pay adjustment (PR120: Box 1 Fed and State and FICA/MI boxes checked) and offset it with a negative non-taxable pay adjustment (boxes not checked) on each employee's employee master. Post these adjustments with your normal payroll and the applicable FICA/MI will be properly withheld from each paycheck. These pay adjustments can be put in a pay adjustment frequency that is included in payroll only once a month, so that you will not have to pro-rate the monthly amount from the table.

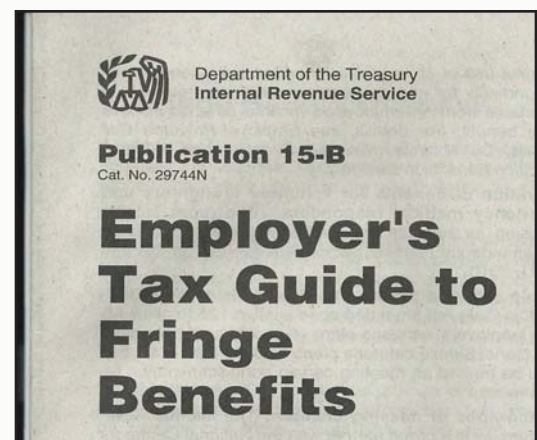
The monthly amount of the benefit is calculated as follows:

$$\{[(\text{Total GTLI provided} - \$50,000) / \$1,000] \times \text{table amount (from Publication 15-B based on the age of the employee at the end of the current payroll year)}\} - \text{monthly amount (if any) that is withheld from the employee for the GTLI.}$$

If you wish to have the benefit included on every payroll (assuming your employees are paid more than once a month), the above amount would have to be pro-rated for the part of the month covered (semi-monthly = 12/24, bi-weekly = 12/26, weekly = 12/52).

If you have not done this for 2014, you can make a catch-up adjustment by including the correct number of months in your next payroll.

Note: If an employee terminates employment before the adjustment is made, special rules apply since you will not be able to withhold the Social Security/MI on these amounts. Contact RDS for help with this case.



Adding Attendance Dates for New Year

Make sure you have entered 2015 dates for your activities before printing your attendance lists for January.

Click on the Help icon or call RDS if you would like help.

Check Your Withholding

Now is a good time to remind your employees to review the adequacy of their withholding for 2015.

The RDS offices will be closed for the holidays on the following dates:

**December 25
December 26
January 1**

Happy Holidays

E-Filing W-2's

E-filing W-2s with the SSA or your local taxing authority is easy with your RDS software. Apply now to receive a User ID from the Social Security Administration at: www.socialsecurity.gov (Business and Government "button"; choose "Business Services" and then "Employers".) Download the AccuWage software from www.ssa.gov/employer/accuwage so you can test the file before submitting it to the SSA.

When you are ready to file, choose the EFW2 Submission Media type on the W-2 (PR307) screen and check the box to include the State record if applicable. RDS will automatically prepare the file you need to transmit.

Test the file with AccuWage, and then visit www.socialsecurity.gov to submit it. If you are running anti-spam software, be sure to configure it so that Social Security Administration (SSA) correspondence is not identified as spam.

Archive Last Year's Data

Did you know that you can archive (store) your RDS accounting information so that you can access it even after you purge? (If using the Cloud, please call RDS.)

At the end of the fiscal year after completing all closing entries and before purging, create a "new" entity (for example, "2014 Archive Data") on your RDS Advantage system, then copy your ADVDATA files to the folder for the new entity.

Do this each year as you end the year, and you will be able to see the whole database for each year.

Click on the Function menu at the top of the CS100 screen and click on "Archive All Data Files" to start this process.

For complete instructions to set up a new entity for your archive, download "Archive Data" instructions from the Helpful Downloads page of the RDS Advantage web site, www.rdsadvantage.com. Call RDS Advantage support if you have questions or if your church is using Cloud services.

RDS Training Opportunities

- If you have never attended a training class;
- If you have not attended a class in the last two years;
- If you have taken on different responsibilities;
- If you want to learn about new features and capabilities

Enroll in classes for these dates:

Jan 19-23	Feb 9-13	Mar 9-13
Apr 6-10	May 4-8	Jun 8-12

THEN - sign up for a class at a convenient time for you.



You can enroll for just the classes that cover your work area:

- Monday.....Member Records and Contact Management
- Tuesday.....Activity Records and Insta Check-In
- Wednesday...Contributions and Bank Reconciliation
- Thursday.....General Ledger and Accounts Payable/Cash Disb.
- Friday.....Payroll and Accounts Receivable

More than 300 new features and enhancements are added to RDS Advantage each year. You will find capabilities you didn't know you had, and learn neat shortcuts and time-savers.

Contact Gail Miller at (800) 337-6328 or (405) 840-5177 to enroll.

RDS Support Staff Offers Tips For End-of-Year

- 1. Contributions:** The rules about whether or not a gift should be posted to the current year or the next year are LAW under the Internal Revenue Code. These rules are not flexible.
- NOTE:** The contributor's check date is immaterial when determining the proper year of posting to the contribution statement.
- Post to 2014 if the check (or letter of stock gift) is physically received by midnight on 12/31 OR if the check is received in the mail and the postmark on the envelope is 12/31 or earlier. (Hint: Save the envelope.)
 - Post to 2015 if the above is not true. Publicize this in church bulletins, newsletters and announcements as early as possible.
- 2. Pledges:** (if applicable)
- When you begin receiving pledges for the new year, add a new revenue code in FR103 for the new year and set it to post to a Prepaid Pledge account (usually a designated fund or a liability account) so that contributions received this year for the next year's pledge will be properly reflected in your financial statements.
 - Before recording contributions received in the new year (2015), change the revenue codes in FR103 to post to either prior year income (2014 revenue code), or current year income (2015 revenue code). Don't forget to update the revenue codes on any recurring entries. Change the default revenue code on FR199.
 - After closing 2014, transfer any amounts in the Prepaid Pledges account to 2015 income or begin monthly amortization.
- 3. W-2 Preparation:** Begin this process as soon as you print your final payroll for 2014. Do not wait until January 31st to do this! W-2s are due to employees by 2/2/15 and to the Social Security Administration by 3/2/15. If you E-file, you must still get W-2s to employees by 2/2/15 but the SSA deadline is extended to 3/31/15. **Hint: Please print sample W-2s and W-3s now to test printer alignment.**
- IRS regulations requiring the cost of employer-sponsored health coverage in box 12 using code DD are subject to "transition relief", suspending this reporting for employers with less than 250 employees. Additional information about this requirement is available at www.irs.gov.
 - Print to plain paper to check totals and form lineup.
 - Verify employer information and EIN.
 - Verify that each employee has correct name/address/SSN. (Hint: Enclose a copy of PR301W for each employee in their final 2014 paycheck with a note asking him/her to verify this information.)
 - Compare the W-2 totals to the total of the 941s submitted for the year to verify that:
 - Total W-2 wages (box 1) equals total 941 wages (line 2);
 - Total W-2 fed w/h (box 2) equals total 941 tax withholding (line 3);
 - Total W-2 soc. security & medicare wages (boxes 3 & 5) equal total 941 soc sec/medicare wages (lines 5a & 5c-col.1);
 - Total social security tax w/h (W-2 box 4) is *approximately 50% of the amount on 941's line 5a-column 2; and
 - Total medicare tax w/h (W-2 box 6) is *approximately 1/2 the amount on 941's line 5c-column 2. (*allow for a difference less than \$1 due to rounding). If any Additional Medicare Tax was withheld (line 5d), it should also be included in Box 6.
 - Reconcile the General Ledger tax liability accounts to any outstanding tax amounts.
- IMPORTANT:** Do not send W-2s to the Social Security Administration (SSA) until near the deadline. That way, if there is a problem with a W-2, it can be corrected and re-issued to the employee and sent as an original to the SSA, avoiding W-2c's.
- 4. 1099s are due to the vendors by 2/2/15 and to the IRS by 3/2/15.** Please print sample 1099's and 1096's now to test printer alignment.
- Review all vendors to verify they are marked to receive 1099s if they provided services and are not incorporated.
 - Review all vendors marked to receive a 1099 for address and SSN/EIN.
 - If you paid 1099 vendors from the Cash Disbursement system, or wrote a manual check that was recorded through the General Ledger System, accumulate that information. You may modify the 1099 total in AP306A.
 - Extract current year 1099 history (AP306E). Print and review the AP306R 1099 report. Make any modifications before printing 1099 forms.
 - Send 1099s to the vendors as soon as possible. Do not wait until January 31st!
- 5. 2015 Payroll:**
- From our website, download and print the 2015 Federal Withholding Tax Tables (and if you are an Oklahoma client, the Oklahoma Tax Tables). Add the tables to PR121. These tables will be on our website when they are available from the applicable government.
 - If you are not an Oklahoma client and need help with your state tax table, contact RDS.
 - Once the last payroll for 2014 is run, change the payroll year on PR199 to 2015.
- 6. Final Reports:** After the bank statement is reconciled, contribution statements are mailed, W2s and 1099s are mailed and the final financial statements are approved, print the General Ledger Interface Report (GL142—should be nothing) and a Detailed & Summary Trial Balance (GL307). Place in permanent file. Optional recommended reports: Detail Account Status by Revenue Code (FR303A) and Accounts Payable Open Items Report (AP309).
- 7. Backup:** with a backup that can be used to restore and that is either removed from the premises or stored in a fireproof safe.
- 8. Archive the data.** See separate procedure in this newsletter on Page 2. Be certain to print a 12/31/14 Summary Trial Balance (GL307) from the Archive immediately before and after the archive process. Place in permanent file. If you are a Cloud Client, please contact RDS to let us know you are ready to archive.
- 9. In Default Location, Purge 2014 General Ledger.** Immediately before and after purging, print a 12/31/14 Summary Trial Balance. Verify that all revenue and expense accounts are zero after purging. Place in permanent file.