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Summer 2005 Edition | Assisted Payroll



A TEMPORARY BUT IDEAL SOLUTION

Tips on hiring interns, temporary or seasonal workers.

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Welcome to the summer issue of the Intuit® Payroll Services newsletter!

Summer marks an excellent time to hire highschool and college students who are on break from school. Temporary workers can help fill a void in your payroll without making a long-term financial and employment commitment.

In this issue, we highlight the benefits of using temporary workers, employment regulations and suggestions for recruiting.

Read on for more information as well as important information about upcoming Federal Reserve Holidays, service tips and more!

Sincerely,

Chad O'Meara General Manager, OSP

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A TEMPORARY BUT IDEAL SOLUTION

Hiring Interns, Temporary or Seasonal Workers

Temporary employees represent an ideal solution for any small business which requires additional assistance during a traditionally busy season or to fill in for employees on vacation. If you're one of the thousands of companies that utilize temporary employees (including Intuit), there are some things you need to know to help establish temporary employment, including:

- Benefits of temporary workers
- Recruiting temporary help
- 5 Ways to get the most out of a temporary workforce
- Legalities & things to consider

Benefits of temporary workers

If you're not sure if you have enough work to keep a permanent employee busy, you can use temporary workers to help you get through the busy times. Just as the term implies, "temporary workers" are just that and their job ends when the work is completed. Another benefit of temporary workers is that you can enjoy an extensive "on-the-job interview process." If it turns out there is a great fit between your business and a temporary employee, you can offer that person a permanent position and eliminate much of the guesswork associated with a new hire.

According to Kim Capps-Tanaka, Intuit University Relations Manager, internships are a great form of temporary employment. "We've noticed that our best hires result from intern programs. These hires tend to have longer retention because they know the company and the company knows them — all before a permanent employment offer has been made. An internship program is an excellent way to see how they demonstrate their skill set."

Recruiting temporary help

Locating enthusiastic, skilled temporary help can either be done in-house or through a temporary help agency. Be aware that it may be difficult to recruit employees for less than full-time hours, so be sure to target potential workers who are more inclined to want part-time or temporary employment. A great place to start is the local high-school and university or with your current employees. Your employees may have friends or relatives eagerly looking for summer jobs. You may also consider recruiting mature workers via senior centers.

Another great recruitment tool is an internship program. "At Intuit, we've found that graduates of our internship program become ambassadors for our company back on campus. That gets us excellent traction with recruitment and a low cost outreach program," said Capps-Tanaka. If you are interested in setting up an internship program with a local college or university, Capps-Tanaka suggests you work closely with the school's career center.

DID YOU KNOW?

Sound complicated? It doesn't have to be! **QuickBooks Employee Organizer** can help you stay in compliance with employment and payroll laws surrounding many topics, including temporary workers.

Employee Organizer provides up-to-date information on important federal and state laws and regulations as well as step-by-step guidance on key employment processes such as recruiting, hiring and termination. And, it is conveniently integrated with QuickBooks Assisted Payroll. Click here to learn more about **Employee Organizer.**

5 Ways to get the most out of a temporary workforce

Based on her experience, Capps-Tanaka shares the following tips for maximizing your return on investment with temporary workers:

- 1. Pay competitively for your area. And if you implement an internship program, it is strongly encouraged that you make it a paid program.
- Set up work plans within the first week of your employee's hire date. Employees who have work plans and goals tend to perform much better since they know what's expected of them from the start.
- For interns, make sure to provide them with "real work projects" that will make an impact with the product or within the company. Don't just leave them to make copies or read manuals.
- 4. Write clear job descriptions and conduct in-depth interviews up front. This will simplify offering permanent employment to top performers, as you will have done the due diligence of quality hiring up front.
- 5. Focus on retention and encourage returning workers.

Legalities & things to consider

• Child labor — Child labor provisions are monitored by the Department of Labor's Fair Labor Standards Act (FLSA). FLSA restricts the hours that minors under 16 years of age can work and prohibits their employment in jobs that are deemed hazardous. Be sure to check with your state's Department of Labor for specific requirements surrounding child labor including work permits. NOTE: If you hire your own children, you may be able to avoid obtaining a work permit as well as paying FICA, Medicare and Social Security taxes.



- Unpaid temps Several state and federal stringent criteria exist restricting the use of unpaid employees. There are also wage and hour issues associated with 'volunteer' employees, issues of workers' compensation, unemployment insurance and other state and company-provided benefits that go only to employees. Be sure to check with your individual state for specifics regarding the use of unpaid temps.
- Compliance You must continue to comply with employment laws when hiring temporary workers. If a temp works for you for one year, you may be required to offer the same employee benefits you offer your regular employees.
- Morale If you have a large percentage
 of temporary staff who work months on
 end at 40 hours per week while not receiving
 the benefits associated with full-time
 employment, it can result in an employee
 morale problem. Therefore, it's a good idea
 to state the terms of the temporary
 employment up front and consider limiting

- temp work to less than full-time hours for the long-run.
- Keeping your General Ledger current Once a temporary employee's assignment is finished, you cannot delete him/her from your General Ledger as you will need to provide a W-2 or 1099-MISC Form for that tax year. If you use QuickBooks® financial software, you can keep current employee reports up-to-date by making an employee "inactive." To do this, simply launch the Employee Navigator, and then click on the "employee" button and select "make inactive." This way, the temporary employee will only appear on reports for the dates they actually worked.

Some facts used in this story were obtained from the CCH® News & Information Library at http://hr.cch.com/news/hrm/library.asp.

Additionally, some of the information in this story was obtained from Intuit Payroll Services' HR Assistant and Employee Organizer services.

SERVICE ALERT

Service Alert: July 4th and September 5th are Federal Reserve Holidays!

How will Independence Day and Labor Day affect payroll processing?

Our call center will be closed and payroll will not be processed on Monday, July 4, 2005 and on Monday, September 5, 2005 since these dates are Federal Reserve Bank Holidays. To allow for each holiday, you might need to process your payroll earlier than usual. Click here for additional information.

HOT TOPICS

Got a question? We've got answers!

1. When will I receive a copy of my quarterly payroll tax forms? We file your payroll tax forms by the required filing date and then mail copies to you for your records. Copies are mailed to your company's legal address approximately 45 days after the end of the quarter. For second quarter, which ends June 30, your copies will be mailed on or before August 15.

- 2. How do I obtain additional copies of my payroll tax filings? For additional copies of federal or state tax filings for the current year or prior years, simply complete and submit a <u>Customer Request for Copies of Tax Information</u>.
- 3. How do I void a paycheck? It's important to understand the difference between deleting and voiding a paycheck. If you have not yet sent the paycheck to QuickBooks Assisted Payroll, you can delete it. Deleting a paycheck does not affect payroll tax filing. If you have already sent the paycheck to QuickBooks Assisted Payroll, you need to void it. Voiding a paycheck does affect payroll tax filing.

Here's how to void it:

- 1. From the QuickBooks Employees menu, choose Edit/Void Paychecks.
- 2. Select (click once) the paycheck you want to void.
- 3. Click Void.
- 4. Read the information that is displayed, and if you agree, type yes, and then click Void.
- 5. From the Employees menu, select Send Payroll Data.
- 6. Click Go Online.
- 7. Enter your Payroll Service PIN, and then click OK.

Note: You can recall payroll up until 5:00 P.M. Pacific Time, two banking days before the paycheck date. For more detailed information, go to Recalling a Payroll.

For a comprehensive list of FAQs, please visit www.payroll.com/answers.

WHAT'S NEW

Customize your QuickBooks View

Did you know you can customize the list views in QuickBooks 2005 to contain the fields you need most? Here's how to customize your Payroll Item List View in 3 simple steps:

- 1. Open the Payroll Item List View
- 2. Right click on the view and select Customize Columns
- 3. Select and add the columns you would like to add to the view, then click OK

The next time you're in the Payroll View, you'll see precisely the information you need!

Stay tuned...

Keep your eyes out for upcoming information about Intuit Payroll Services' new UniPlan™ 401(k) Plan for Assisted Payroll. Soon, you can manage your 401(k) plan with the same service provider as your payroll!

INTUIT PAYROLL SERVICES REFERRAL REWARD PROGRAM

We want to work with more people like you!

Refer a friend or associate to Intuit Payroll Services and when they process payroll* you will be eligible to earn your choice of a \$50 payroll processing credit or a \$50 Visa® gift card. Refer a business associate today — just complete our online referral form or call 1-866-820-6337 and make your referral.

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At least QuickBooks 2003 or more recent release and an internet connection are required to activate Employee Organizer and receive updates to the Employment Regulations Update Service. Purchase of Employee Organizer includes a twelve month subscription to the Employment Regulations Update Service. Fees apply after twelve months. Answers to email questions for the Employment Regulations Update Service are provided by CCH, a leading provider of tax and business law information. Background check services are provided by our affiliate, Intellicorp. Per search fees apply.

The information provided in this Newsletter is meant to provide general information about the payroll process and services offered by Intuit. This Newsletter is not intended to provide tax, payroll or legal advice. You are responsible for consulting with your own professional tax advisor, accountant and/or attorney concerning your business' specific concerns.

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^{*} Defined as someone who has subscribed to either QuickBooks Assisted Payroll or Intuit Payroll Services Complete Payroll, and who has run and paid in full a payroll with Intuit Payroll Services. All referrals are subject to the Referral Reward Program rules. Terms and conditions are subject to change at any time without notice.