



Exporting Data to QuickBooks^(R) Online Edition

PayCycle works with QuickBooks Online Edition so that you can easily move your PayCycle data to your online accounting service.

To set up the system, you just specify the Online Edition accounts for employer expenses, as well as employee wages, taxes, and voluntary deductions such as medical insurance premiums.

Once you have set up the system, you can get reports in Online Edition that include your PayCycle transactions. Continue to use PayCycle for all payroll activities, including payroll reports. This guide tells you how to set up PayCycle to work with Online Edition and what to do each time you run payroll.

Note: QuickBooks Online Edition requires Internet Explorer 5.0 or higher.

Online Edition accounts to receive PayCycle data

- You can export PayCycle data to the same Online Edition accounts for all employees.
- Companies that maintain different accounts for different groups of employees can specify the Online Edition wage and tax accounts on an individual employee basis.
- You can use subaccounts in both Online Edition and PayCycle.

Recommended: If you have not yet set up payroll accounts in Online Edition, PayCycle **will set them up** for you the first time you import data into Online Edition. Just enter the account names you prefer at the PayCycle Preferences-Export Accounts screen. (Click Accounts, and then Preferences, and then Export to Accounting Software. See " Setting up PayCycle to export to Online Edition, " on page 2.)

If your Online Edition company already contains appropriate accounts, you can choose the accounts directly from your Online Edition Chart of Accounts. If you need to add an account (perhaps for a new deduction), type the name you want for the account at the PayCycle screen and PayCycle will set up the account in your Online Edition company the first time you transfer data.

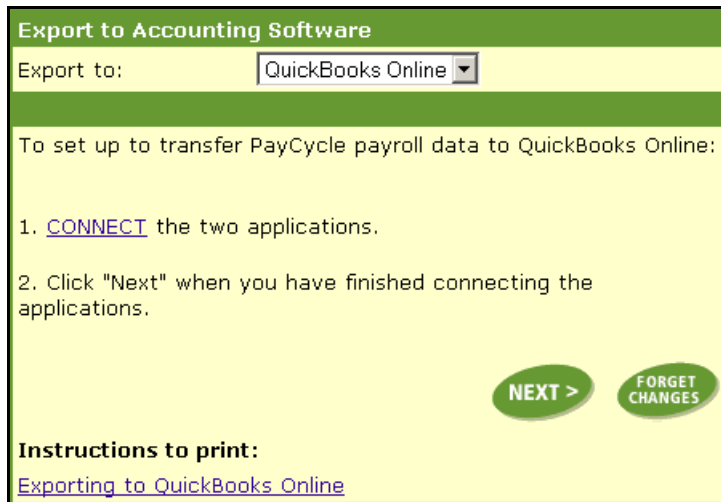
Note: If you have not set up employees in Online Edition, don't worry. PayCycle can set them up for you the first time you transfer data. If you have already set up employees in Online Edition, be sure to enter the exact same names in your PayCycle employee setup. Note that Paycycle exports employee names with a period after any middle initial; for example:Stacy M. McIntyre

Setting up PayCycle to export to Online Edition

Connecting your PayCycle account to your QuickBooks Online Edition account

- 1 In PayCycle, click Account in the top navigation bar, and then click Preferences in the left column.
- 2 At the Preferences page, click "Export to Accounting Software."
- 3 At the Export Accounts page, choose QuickBooks Online from the Export to list.

The screen is re-displayed:



Export to Accounting Software

Export to:

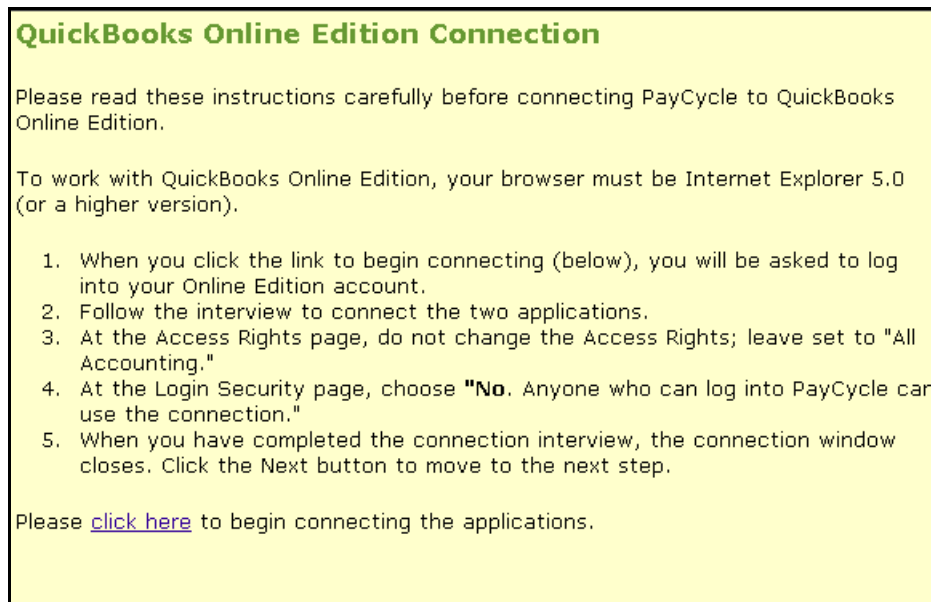
To set up to transfer PayCycle payroll data to QuickBooks Online:

1. [CONNECT](#) the two applications.
2. Click "Next" when you have finished connecting the applications.

NEXT > **FORGET CHANGES**

Instructions to print:
[Exporting to QuickBooks Online](#)

- 4 Click the "CONNECT" link.
- 5 Follow the screen instructions to connect your PayCycle account to your Online Edition account.



QuickBooks Online Edition Connection

Please read these instructions carefully before connecting PayCycle to QuickBooks Online Edition.

To work with QuickBooks Online Edition, your browser must be Internet Explorer 5.0 (or a higher version).

1. When you click the link to begin connecting (below), you will be asked to log into your Online Edition account.
2. Follow the interview to connect the two applications.
3. At the Access Rights page, do not change the Access Rights; leave set to "All Accounting."
4. At the Login Security page, choose "No. Anyone who can log into PayCycle can use the connection."
5. When you have completed the connection interview, the connection window closes. Click the Next button to move to the next step.

Please [click here](#) to begin connecting the applications.

- 6 Click the link and you will see the QuickBooks Online Edition Connection window, which allows you to connect your PayCycle account to your QuickBooks account.
- 7 At the QuickBooks Online Edition Connection window, click the Proceed to Login Page button.
- 8 Follow the instructions in the QuickBooks Connection Setup Interview to log into your QuickBooks account and name your connection.

For many people, the Login Name is an email address. You specified a Login Name and password when you set up your company in Online Edition. You can name the connection anything you wish.

- 9 At the Access Rights page, do not change the Access Rights; leave set to "All Accounting" and click the Continue button.
- 10 **Important:** At the Login Security page, choose "No. Anyone who can log into PayCycle can use the connection." Click the Continue button.
- 11 At the Congratulations page, click the Finished button.
The QuickBooks window closes.
- 12 At the Export to Accounting Software window, click the Next button.

Click the list button to select the account directly from your Online Edition Chart of Accounts.

If you select "I use different accounts," the screen is re-displayed with boxes where you enter wage and tax account names for each employee.

These Tax Liability and Deduction Liability accounts must be Online Edition Other Current Liability accounts.

- It's OK to put two taxes into the same Online Edition account. In fact, you can put all payroll liabilities into one Online Edition liabilities account.
- You can enter subaccounts. Just choose the subaccount from the Chart of Accounts.

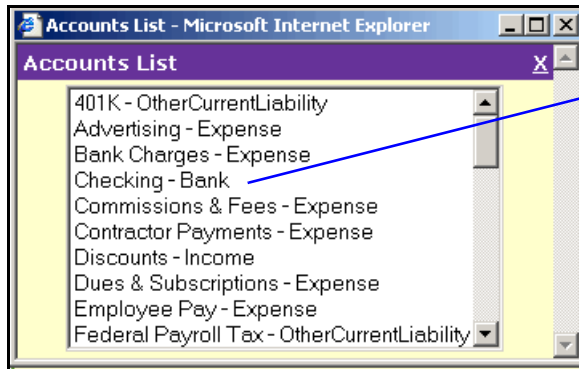
If an appropriate account does not exist in your Online Edition company, just type the name you prefer in the box. The account will be created the first time you transfer PayCycle data to Online Edition.

You can return to this page any time to add an account name for a new deduction or

Exception: For cash advances or loan repayment, enter the name of an Online Edition **Other Current Asset** account.

Selecting your QuickBooks Online Edition accounts

- 1 At the box for Checking Account, click the list button and scroll to find and select the Online Edition **Bank** account to which PayCycle paychecks should be added. This is the account from which you write paychecks.



Just select the account to use. Note that the account name is followed in the list by a hyphen and then the account type.

Note: If you change your Online Edition Chart of Accounts while you have the PayCycle Export page displayed, click the browser's Refresh button to see your changes reflected in the PayCycle Accounts List window.

If you have not yet set up your Online Edition Chart of Accounts for payroll, you can type the name of the account in the box instead of selecting it. **Check your typing to catch any typos.**

- 2 In the box for "Reimbursement account," select the Online Edition **Expense** account to which reimbursements for employee expenses should be added. Similarly, choose the Expense account to which contractor payments should be added.
These boxes appears only if your PayCycle account is set up for reimbursements and/or contractor payments. If you don't have an account in Online Edition for reimbursement expenses and/or contractor payments, just enter an appropriate name in PayCycle. If the account does not exist in your Online Edition company, PayCycle will create it the first time you transfer data to Online Edition.
- 3 Choose one:
 - I use different accounts for different employees.
 - All employees wages go in the same Online Edition account.
- 4 In the box for "Wage Account," select the Online Edition **Expense** account to which employee wages should be added.
- 5 At the box for "Tax Account," select the Online Edition **Expense** account to which employer taxes should be added.
- 6 Select the Online Edition **Other Current Liability** accounts for each state tax agency.
- 7 Select the Online Edition **Other Current Liability** account to receive taxes to pay to the IRS.
- 8 Select the Online Edition **Other Current Liability** accounts to receive voluntary deductions, fringe benefits, or garnishments. **Exceptions:** For cash advance or loan repayments, select Online Edition **Other Current Asset** accounts.
- 9 If you want to print checks using Online Edition, click "Mark checks to print in accounting software."
(If you choose to mark checks to print in Online Edition, please see "Appendix: Pay split between paper check and direct deposit, " on page 8.)
If you print checks in PayCycle (or handwrite checks), click "Export check numbers." (Recommended)
- 10 Click the Save Changes button.

What to do on payday

- 1 Create and approve paychecks as usual in PayCycle and print your paychecks or paystubs.
- 2 (Optional) Open a second browser window, log into your Online Edition account as usual, and go to the checking account register.
- 3 If you see the Enter Check Numbers page, enter any check numbers and click the Save Check Numbers button.
- 4 At the Export to QuickBooks Online page, be sure there is a checkmark in the box to the left of each check to export and click the Export button.
PayCycle begins transferring the payroll data to Online Edition. You can refresh the second browser window to see transactions appearing in the Online Edition checking register.
- 5 When you see the Congratulations message, close the window.
- 6 Be sure to check that all transactions appear in your Online Edition register.
Because of the complexity of moving transactions from one Web site to another, it's important to check that all transactions have been transferred. If any transaction does not appear in your Online Edition register after a few minutes, transfer it individually. (Go to Reports/Last Paycheck and click the link at the paystub page.) For more about the transactions in Online Edition, see " What happens when data is transferred to Online Edition, " on page 6.

Transferring tax payments to Online Edition

When you transfer a tax payment to Online Edition, the transaction is recorded in the corresponding Online Edition tax liability account and reduces the liability. For example, a payment for federal payroll taxes (941) reduces the balance in the Online Edition account listed for this liability. In our setup example on page 3, the account for this tax is named "Federal Payroll Tax." The transaction also reduces the balance in your Online Edition checking account. In the page 3 example, the name of the checking account is "Checking."

- 1 Pay the tax in PayCycle as usual.
- 2 Click "Export to QuickBooks Online."
If you print a coupon to pay the tax, the link is displayed on the Print Payment Coupon page. If you pay the tax electronically, the link is displayed on the E-Payment Confirmation page. The link is also available when you view a Tax Payment Detail report.
PayCycle begins transferring the transaction to Online Edition. You can refresh the second browser window to see the transaction appear in the Online Edition checking register.
- 3 When you see the Congratulations message, close the window.
- 4 Be sure to check that the transaction appears in your Online Edition register.
Online Edition displays a notice of the data exchange in the message area on your Home page.

Medicare	220.80
Medicare Employer	220.80
Total Payment Amount:	\$4882.76
Export to QuickBooks Online PRINT FORM DELETE PAYMENT	

To transfer a tax payment you made or recorded earlier:

1. Click Reports and then Tax Payments.
2. Click the date of the payment to transfer.
3. At the detail page, click "Export to QuickBooks Online."

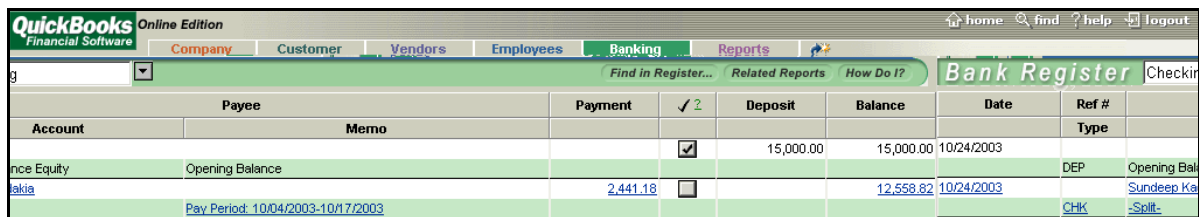
Printing paychecks

From your PayCycle account, you can print paychecks on QuickBooks-compatible check stock, including paystubs, or print on VersaCheck Form #1000 blank check stock. Or you can print paystubs alone on plain paper and handwrite checks.

If you choose to print paychecks in Online Edition, be sure you give your employees the paystubs printed from your PayCycle account. The paystub that prints in Online Edition from data imported from PayCycle is not a legal paystub. (Please also see "Appendix: Pay split between paper check and direct deposit," on page 8, which explains why you cannot print checks from Online Edition if pay is split between a paper check and direct deposit.)

What happens when data is transferred to Online Edition

When your payroll data is transferred to Online Edition, the process creates one transaction in your Bank account register for each PayCycle paycheck.



Account	Payee	Memo	Payment	✓ 2	Deposit	Balance	Date	Ref #	Type
Equity	Opening Balance			<input checked="" type="checkbox"/>	15,000.00	15,000.00	10/24/2003		DEP
Bank		Pay Period: 10/04/2003-10/17/2003	2,441.18	<input type="checkbox"/>		12,558.82	10/24/2003		CHK

Depending upon how you set your preferences, handwritten checks appear in the checking register with or without check numbers. If you set your preferences to mark paychecks to print in Online Edition, the transactions will not have check numbers but will be marked to print. (Transactions for direct deposit are also included in the checking account register but have no check numbers and are not marked to print.)

The Bank account transaction contains splits that affect multiple accounts, depending upon the number of accounts you specified to receive deductions:

- A split appears for the Reimbursement account if this paycheck includes a reimbursement.
- A split appears for the "Wage Account," which you specified in step 4 on page 4.
- A split appears for the "Tax Account," which you specified in step 5 on page 4.
- One or more splits appear for each Liability account for state taxes owed, as specified in step 6 on page 4 (one split for each agency).
- Splits appear for the Liability account for taxes owed to the IRS, as specified in step 7 on page 4.
- Additional splits are entered for each deduction or garnishment you set up in step 8 on page 4, to the specified Online Edition accounts, one for the employee's deduction and one for any company contribution.

These are the splits for the bank account transaction for one employee's paycheck.

- We selected "Employee Pay" at step 4 on page 4 as the name for the Wage Account. Sundee's gross pay was added to that account, as shown in the split.
- The employee has a voluntary deduction, which is added to the Good Health account.
- The information transferred to Online Edition is not a legal paystub. Print paystubs or checks from PayCycle, not Online Edition.

#	Account <small>Which?</small>	Amount	Description <small>?</small>
1	Employee Pay <input type="button" value="v"/>	3307.69	Gross Pay - This is not a legal paystub
2	Payroll Taxes <input type="button" value="v"/>	253.05	Employer Taxes
3	Good Health <input type="button" value="v"/>	-10.00	Good Health
4	Illinois WH <input type="button" value="v"/>	-99.23	IL Income Tax
5	Illinois SUI <input type="button" value="v"/>	0.00	IL Unemployment Tax
6	Federal Payroll Tax <input type="button" value="v"/>	0.00	Federal Unemployment (940)
7	Federal Payroll Tax <input type="button" value="v"/>	-1010.33	Federal Taxes (941)

These transactions in Online Edition accounts keep your balance sheet and profit and loss statements up to date. Remember that you should continue to do all of your payroll reporting using PayCycle.

Valley Catering Balance Sheet	
As of October 28, 2004	
	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
Checking	9,103.82
Total Bank Accounts	\$9,103.82
Other Current Assets	
Loan Repayment	-25.00
Total Other Current Assets	\$ -25.00
Total Current Assets	\$9,078.82
TOTAL ASSETS	\$9,078.82
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
401K	50.00
Federal Payroll Tax	2,111.43
Good Health	180.00
Illinois SUI	31.00
Illinois WH	142.13
Total Other Current Liabilities	\$2,514.56
Total Current Liabilities	\$2,514.56
Total Liabilities	\$2,514.56
Equity	
Opening Balance Equity	15,000.00
Retained Earnings	
Net Income	-8,435.74
Total Equity	\$6,564.26
TOTAL LIABILITIES AND EQUITY	\$9,078.82

Online Edition Balance Sheet

The Online Edition Balance Sheet report shows the balances of each of the accounts you specified in PayCycle.

Appendix: Pay split between paper check and direct deposit

We recommend that you print checks in PayCycle, not in Online Edition. Choose “Export check numbers” in step 9 on page 4.

Currently, you must **not** print a paper check in Online Edition for a paycheck created with PayCycle if your employee receives part of the pay as a direct deposit and part as a paper check.

If you print a check in Online Edition for such a pay transaction, the printed check will include the amount already direct deposited and you will overpay the employee.