



Sage 100 Direct Deposit

Getting Started Guide

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Overview

This guide provides the information you need to activate and use the direct deposit service to pay your employees. Review the guide to become familiar with processes, timelines, and requirements.

Important! You must apply to use Sage 100 Direct Deposit. If your application has not been approved, you cannot set up or use Sage 100 Direct Deposit.

Before you start

Some important things to remember about direct deposit service:

- The initial prenote approval takes five banking days, so please plan ahead.
- Direct deposit payments must be synchronized by 5 p.m. ET two banking days before the deposit (check) date.
- The direct deposit check date must be a minimum of two banking days after you process payroll.

Sage 100 Direct Deposit support

We are committed to providing you with excellent customer support for your Sage 100 Direct Deposit service.

To speak to a customer support representative, call 833-203-7226, Monday through Friday, or send an email to iSolveddds@isolvedhcm.com.

Setting Up the Sage 100 Direct Deposit service

After following the steps in the welcome email to activate Sage 100 Direct Deposit, set up Sage 100 to work with the service.

Activate your new product key

When your Sage 100 Direct Deposit application is approved, you will receive an email with a new Sage 100 product key. Activate this product key in System Configuration.

Important! If your business partner has customized your Sage 100 system, make sure the customizations are not dependent on your product key before entering a new one.

1. Select **Library Master > Setup > System Configuration**.
2. On the **Registration** tab, click **Edit**.
3. Enter your new product key.
4. Click **Activate**.

Set up Payroll Options

1. Select **Payroll > Setup > Payroll Options**.
2. On the **Direct Deposit** tab, select the **Require Direct Deposit** check box.
3. In the **Direct Deposit Interface** field, select **Sage 100 Direct Deposit Service**.
4. To allow employees to receive a portion of their net pay by direct deposit and the remainder by check, select the **Allow Partial Allocation of Check Amount** check box.
5. To print direct deposit stubs for employees who have 100 percent of their pay allocated to direct deposit, select the **Print Direct Deposit Stubs** check box. Clear this check box to print voided checks instead.
6. If you selected the **Print Direct Deposit Stubs** check box, enter the next stub number in the **Next Direct Deposit Stub Number** field.
7. Select the **Do Not Send a Pre-Note When Employee Number Changes** check box if needed.

If this check box is cleared, and an employee's employee number is changed, the **Pre-Note Sent** field in the **Direct Deposits** window will be set to **No**, and a new prenote must be approved. For more information, see "Send employee prenotes" (page 8).

8. Click **Accept**.

Set up your bank account information

Before you can pay employees using direct deposit, your bank must approve your account for direct deposit processing. Consult with your bank about its direct deposit requirements.

Note: Only one bank code can be set up for direct deposit payroll funding.

1. Select **Payroll > Setup > Bank Code Maintenance**.
2. In the **Bank Code** field, enter the code for the bank that you identified on your application when signing up for the Sage 100 Direct Deposit service.
3. In the **Bank Account Number** field, make sure the account number matches the one provided on your Sage 100 Direct Deposit application.

Important: If you want to change the bank account used for direct deposit, you must contact Sage Direct Deposit Support at 833-203-7226. Changing the bank code or account number in Bank Code Maintenance will *not* affect which account is used when direct deposit payments are processed.

4. Click **Direct Deposit**.
5. In the **Direct Deposit Interface Setup** window, select the **Direct Deposit** check box and enter information about your bank.

In the **Routing Transit Numbers** section, be sure to enter the same numbers that you provided on your Sage 100 Direct Deposit service application.
6. Enter your alternate employer ID number and alternate company name if applicable.
7. Enter account information that will be used if you incur any ancillary fees, such as an NSF charge.
 - In the **Fee Expense Account Number** field, enter the general ledger account number to debit for any fees.
 - In the **Alternate Billing Bank Code** field, enter the bank code for the billing bank account that you identified when signing up for Sage 100 Direct Deposit. If you leave this field blank, the direct deposit bank account will be used instead.

If you are charged a fee, the next time that you synchronize data with Sage 100 Direct Deposit, transaction journal entries will be created for these accounts. Review the entries and update the transaction journal.

8. Click **Accept**. If your current Sage 100 company is not already linked with a Sage 100 Direct Deposit company, the Sage ID sign-in window opens.
9. Sign in using your Sage ID (your email address). The **Link to Sage 100 Direct Deposit Service Company** window opens.
10. In the **Sage 100 Direct Deposit Service Company** field, select the direct deposit company to link to your current Sage 100 company, and then click **OK**.

Setting up employees for direct deposit

To set up employees for direct deposit, enter their bank account information in the Employee Maintenance **Direct Deposit** window. Then run the Pre-Note Selection Register to create prenotes that will be sent to the employees' banks. Prenotes are zero-dollar transactions used to verify the account information. The prenotes are sent when you synchronize data with Sage 100 Direct Deposit. Direct deposits **cannot** be deposited into an employee account until a prenote has been approved for the account.

Set up employees in Employee Maintenance

1. Select **Payroll > Main > Employee Maintenance**.
2. Enter an employee number and select the **Direct Deposit** check box.
3. Click **Direct Deposit**.
4. In the **Direct Deposits** window, enter the bank information for the account(s) that the employee wants to use for direct deposit.

If you are entering information for multiple accounts, see "Distributing pay to multiple accounts" (page 9).

5. Click **OK** and then **Accept**.

Send employee prenotes

1. Select **Payroll > Direct Deposit > Pre-Note Selection Register**.
2. Change the date in the **Pre-Notes To Be Sent On** field if needed and click **Print**.
3. Review and update the register.

Note: The **Pre-Note Sent** field in the **Direct Deposits** window is automatically set to **Yes** when you update the Pre-Note Selection Register, but prenotes are **not** sent until you complete the remaining steps to synchronize data with Sage 100 Direct Deposit.

4. Select **Payroll > Direct Deposit > Direct Deposit Processing**.
5. In the **Employee Pre-Note and Direct Deposit Transactions** window, select all applicable prenote batches.

6. Click **Synchronize** and then sign in with your Sage ID (your email address). The **Synchronizing Direct Deposit Data** window displays the status of the synchronization.
7. Wait 5 banking days for the prenotes to be approved. Then in the **Process Employee Pre-Note and Direct Deposit Transactions** window, click **Synchronize**.

For all employees with an approved prenote, the **Prenote Sent** field in the Employee Maintenance **Direct Deposits** window will be set to **Approved**. The accounts are now ready for direct deposit.

If a prenote is not approved, verify that the correct account information is entered and resend the prenote.

Distributing pay to multiple accounts

In the **Direct Deposits** window accessed through Employee Maintenance, you can enter information for multiple bank accounts and select a distribution method to specify how much of the employee's pay is allocated to each account.

If the employee wants to distribute a fixed amount to one or more accounts, make sure the fixed amount accounts are listed first. For example, if an employee wants to distribute \$50 to a Christmas club account, \$200 to a savings account, and the remaining wages to a checking account, set up the accounts as shown in the following table:

Account	Distribution Method	Amount or Percent
Christmas club	Fixed Amount	\$50.00
Savings	Fixed Amount	\$200.00
Checking	Percent of Net Wages	100%

The last account with an approved prenote is the catchall for any funds not distributed to another account if the **Allow Partial Allocation of Check Amount** check box in Payroll Options is cleared.

Note: If the **Allow Partial Allocation of Check Amount** check box is selected, any portion of the net pay not distributed to the accounts is printed on a check.

If you intend to pay all funds through direct deposit, always set up the last account to receive 100% of net pay to avoid any rounding errors that may cause an undistributed amount to print on a check.

For example, to distribute 75% of an employee's net pay to a checking account and 25% to a savings account, enter the information as shown below.

Account	Distribution Method	Percent
Checking	Percent of Net Wages	75%

Account	Distribution Method	Percent
Savings	Percent of Net Wages	100%

Important! If no accounts have an approved prenote, the entire net pay amount is provided as a check.

Processing payroll

Processing payroll and synchronizing direct deposit transactions with the Sage 100 Direct Deposit service is a four-step process:

1. Enter your payroll data.
2. Calculate payroll taxes.
3. Print checks and direct deposit stubs and update the Check Register.
4. Sync your data with Sage 100 Direct Deposit.

Timing direct deposit payroll processing

Important! Direct deposit payments must be synchronized by 5 p.m. ET two banking days before the pay date on the direct deposit paychecks. If you synchronize after 5 p.m. ET, the deposits may be late.

The following table depicts typical processing deadlines without Federal banking holidays.

Payday	Deadline to synchronize payroll
Monday	Thursday
Tuesday	Friday
Wednesday	Monday
Thursday	Tuesday
Friday	Wednesday

Remember to plan for Federal bank holidays when you process direct deposit payroll. To determine the deadline date to process and transmit the direct deposit payroll, calculate two banking days prior to the pay date, and exclude all Federal banking holidays from your processing time. For a list of Federal banking holidays, visit www.federalreserve.gov/aboutthefed/k8.htm.

The 5 p.m. ET deadline still applies for the deadline date, and no exceptions are made for holidays.

About Saturday paydays

While some banks may be open on Saturdays, Saturday is *not* a Federal banking day. This means that if you create a direct deposit payroll for a Saturday check date, the payroll may not be deposited until the following banking day (typically Monday).

Enter payroll data

Note: Employees must have an approved prenote for at least one bank account before you can pay them using direct deposit. For information on the prenote approval process, see "Send employee prenotes" (page 8)

1. Select **Payroll > Main > Payroll Data Entry**.
2. In the **Pay Cycle** window, select the payroll cycle data, such as the period-ending date, voluntary deductions to be applied, standard days and weeks worked, and the standard earnings code.
3. To automatically create data entry records for groups of employees with standard earnings and deductions:
 - a. Click **Auto Pay**.
 - b. In the **Auto Pay** window, select the employees who you want to pay. You can select employees by labor code and employee number, and based on whether they are hourly or salaried.

Note: Data entry records are created for employees only if their pay cycle entered in Employee Maintenance matches the current pay cycle.

- c. Enter the hours for the payroll cycle.
 - d. The earnings code entered in the **Pay Cycle** window appears in the **Earnings Code 1** field and can only be viewed. If applicable, enter a second earnings code to automatically pay additional earnings to the selected employees.
 - e. Click **OK**. A message asks if you want to automatically pay more employees. Click **Yes** to make additional selections. Click **No** to proceed to Payroll Data Entry.
4. In Payroll Data Entry, select employees not paid using the Auto Pay feature, and click the **Lines** tab to enter all applicable earnings followed by all applicable deductions.
5. To enter earnings, deductions, and tax data for any manually written checks issued during the current pay cycle using the **Manual Payroll Tax Entry** window, click **Taxes**.

Calculate taxes

1. When you are finished entering data in Payroll Data Entry, click the **Print** button. The **Payroll Tax Calculation** window opens. You can also access this window from the Payroll **Main** menu.
2. Click **Proceed**. Withholding taxes are calculated for each check.
3. When a message asks if you want to print the Payroll Data Entry Audit Report, click **Yes**. Check the audit report for accuracy, and use Payroll Data Entry to make any needed corrections.

If the direct deposit distribution information is incorrect, return to the **Direct Deposits** window accessed through Employee Maintenance. Make any needed corrections, run Payroll Tax Calculation again, and print the Payroll Data Entry Audit Report to verify the amounts.

4. Select **Payroll > Main > Employer's Expense Summary**. Print and review the report.

Important! The data used to create the reports on the Payroll Main menu is cleared when the Check Register is updated. Be sure to print these reports as needed before you update the Check Register.

Print checks and direct deposit stubs and update the Check Register

1. Select **Payroll > Main > Check Printing**.
2. Enter a check date and an effective date. The effective date should be your payroll check date. This date may need to be adjusted to allow for weekends and holidays. Please verify with your bank.
3. Make any other selections as needed.
4. Click **Print**.
 - If the **Print Direct Deposit Stubs** check box is selected in Payroll Options, after any checks are printed, a message asks if you want to print direct deposit stubs. Click **Yes** to open the **Direct Deposit Stub Printing** window. You can also open the window from the **Check Printing** window by clicking **Direct Deposit Stubs**.
 - If the **Print Direct Deposit Stubs** check box is cleared in Payroll Options, a voided check prints for direct deposit employees, and there will be no prompt to print direct deposit stubs.

Warning! Do not attempt to print a check or direct deposit stub for any employee whose record is incorrect or incomplete. Use Employee Maintenance or Payroll Data Entry to correct or complete all employee records before printing.

5. When a message asks if you want to print the Check Register, click **Yes**. After it prints, the **Direct Deposit Register** window opens.
6. Optionally, enter a direct deposit comment for the current payroll batch. The comment appears on the employee's bank statement and prints in the Bank Reconciliation module to identify this particular deposit.
7. Print the Direct Deposit Register. Verify that all information is correct, and then update the Check Register.
8. When a message asks if you want to print the Daily Transaction Register, click **Yes**.
9. Verify that they information is correct, and then update the Daily Transaction Register. The payroll postings are updated to the general ledger.

Sync direct deposit payments with Sage 100 Direct Deposit

1. Select **Payroll > Direct Deposit > Direct Deposit Processing**. The **Process Employee Pre-Note and Direct Deposit Transactions** window displays a list of payroll and prenote batches, including batches that have already been synchronized.
2. Select the batch(es) that you want to synchronize with Sage 100 Direct Deposit.

Important! Do not select batches that were already synchronized unless you want to process the direct deposits again. If a direct deposit payroll has already deposited into employee accounts and you synchronize them again, the employees will be paid again.

3. Click **Synchronize** and then sign in with your Sage ID (your email address). The **Synchronizing Direct Deposit Data** window displays the status of the synchronization.
4. When the status indicates that the synchronization is complete, click **OK**.

Use the Direct Deposit Activity Log to view a recap of the data that has been synchronized between Sage 100 and Sage 100 Direct Deposit. Select **Payroll > Direct Deposit > Direct Deposit Service Activity Log**.

Warning! If the synchronization fails, your direct deposit data is not transmitted. Contact Sage Direct Deposit Support at 833-203-7226. For details about the error, refer to the SPSSync*.log file, which is located in the ..\MAS90\SOA folder.

Purge synchronized direct deposit batches from your process list

After you successfully process payroll and synchronize the direct deposit transactions, you can purge the payroll batch and prenotes from the **Process Employee Pre-Note and Direct Deposit Transactions** window. When you purge the information, you remove direct deposit transactions from the synchronization

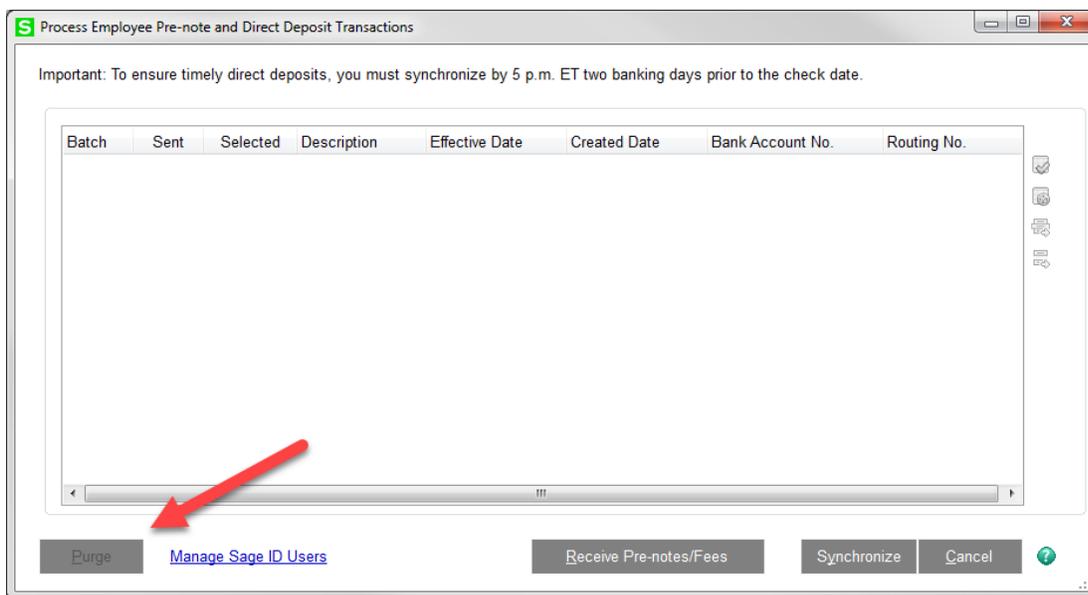
queue (but not from your system) which prevents the information from being duplicated when you synchronize your next payroll.

Tip: Best practice is to purge previously transmitted batches 1-2 days after you synchronize. The purge process deletes processed direct deposit batch files so that they no longer appear in the Process Employee Pre-Note and Direct Deposit Transactions window, and the ACH files are removed from your server. Purging does not affect the batch files that have already been received by the Sage 100 Direct Deposit Service.

To purge synchronized batches:

1. Select **Payroll > Direct Deposit > Direct Deposit Processing**. The **Process Employee Pre-Note and Direct Deposit Transactions** window opens.
2. Select the check box for all batches that are successfully synchronized, and click the **Purge** button.
3. Click **OK** when prompted to complete the purge.

The list refreshes, with purged batches and prenotes removed from the queue, and it's now ready for your next direct deposit payroll.



Reversing a direct deposit transaction

If you need to cancel a direct deposit, remove an employee's direct deposit from a batch, or reverse a direct deposit funds transfer after synchronizing, you must contact Sage 100 Direct Deposit Support at 833-203-7226. There is no guarantee that direct deposit payments can be stopped or reversed.

For information on reversing an employee's direct deposit transaction in Sage 100, see *Reverse a Direct Deposit Check* in the help.