



# Paycheck Protection Program (PPP)

## User Guide



## **Paycheck Protection Program (PPP) User Guide**

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## Overview of Paycheck Protection Program Loan Program

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The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll.

SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities.

For more details, please read the information on the SBA's website.

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>

This document will take you through the steps to create an export to assist with applying for a loan under the Paycheck Protection Program inside Kronos Workforce Ready (WFR). The export can also be used to get the information needed for loan forgiveness.

There are two options listed in this document:

- Preferred Option – This is the simplest option and generates an export file. This also describes how to get the data for loan forgiveness.
- Alternative Option – This option generates a report, requiring multiple steps.

# Preferred Option - Paycheck Protection Program (PPP) Export

## Creating a PPP Export in WFR

You can create an export file containing data that can assist in your application process.

The main data this export provides is:

1. Average Monthly Payroll Cost (including all the totals to get to that Average Cost)
2. Average Headcount over a Date Range
3. Pay Rate info on each Employee.

The Average Monthly Payroll Cost will assist you in applying for the Loan. The additional data on Headcount and Pay Rate will assist in reporting requirements to get loan forgiveness.

The export can be created using the data export type **PPP Payroll Cost by Employee** which can be found under *Company Settings > System Data Export > Data Exports*.

- Click the **New Data Export** button.
- Select the **PPP Payroll Cost by Employee** export.

LEN	POS	LABEL	DESCR	TYPE	DATA FIELD
1	<input type="checkbox"/>		Company Name		
2	<input type="checkbox"/>		EIN Name		
3	<input type="checkbox"/>		EIN		
4	<input type="checkbox"/>		Employee ID		
5	<input type="checkbox"/>		Employee First Name		
6	<input type="checkbox"/>		Employee Last Name		
7	<input type="checkbox"/>		Wages (\$)	Salary, wage, commission, or similar com...	
8	<input type="checkbox"/>		Excluded Wages (\$)	Qualified sick and family leave wages fo...	
9	<input type="checkbox"/>		Included Wages (\$)	Wages minus the Excluded Wages	
10	<input type="checkbox"/>		Prorated 100K Cap	100K prorated based on the amount of mon...	
11	<input type="checkbox"/>		Excess Wages (\$)	Wages above the 100K prorated cap	
12	<input type="checkbox"/>		Included Wages to Cap (\$)	Included Wages minus Excess Wages	
13	<input type="checkbox"/>		Health Benefits (ER) (\$)	Employer portions of Deduction Amounts f...	
14	<input type="checkbox"/>		Retirement Benefits (ER) (\$)	Employer portions of Deduction Amounts f...	
15	<input type="checkbox"/>		State & Local Taxes (ER) (\$)	Employer portions of state and local taxes	
16	<input type="checkbox"/>		Payroll Cost Total (\$)	Included Wages to Cap plus Retirement & ...	
17	<input type="checkbox"/>		Months In Date Range		
18	<input type="checkbox"/>		Average Monthly Payroll Cost (\$)	Payroll Cost Total divided by Months in ...	
19	<input type="checkbox"/>		Pay Period Profile Name	Will show the employee's pay period prof...	
20	<input type="checkbox"/>		Pay Periods Paid	Amount of Regular Payrolls for which the...	
21	<input type="checkbox"/>		Pay Periods in Date Range	Amount of pay periods that the employee...	
22	<input type="checkbox"/>		Head Count Per Pay Period Paid	Pay Periods Paid divided by Pay Periods ...	
23	<input type="checkbox"/>		Hours Paid For	Amount of hours on Pay Statements in the...	
24	<input type="checkbox"/>		FTE Hours In Date Range	Amount of hours based on the EE working...	
25	<input type="checkbox"/>		Head Count Per Hours Paid	Hours Paid For divided by FTE Hours In D...	
26	<input type="checkbox"/>		Head Count Per Hours Paid Capped	Head Count Per Hours Paid capped at 1.00	
27	<input type="checkbox"/>		Pay Rate At Date Range Start		
28	<input type="checkbox"/>		Pay Rate At Date Range End		
29	<input type="checkbox"/>		Combined Head Count	Uses Head Count Per Pay Period Paid if E...	
30	<input type="checkbox"/>		Simplified Head Count	Uses the simplified method of counting f...	
31	<input type="checkbox"/>		Weeks In Date Range	If a date range of 56 days/8 weeks or le...	

- You can choose which columns to include clicking the checkboxes next to each field. Or you can remove unwanted fields by selecting fields and then clicking **Delete** or **Delete Selected**.
- You can change the order of each of the columns and edit the labels by checking/selecting a field and selecting **Edit**, **Up** or **Down**.
- For calculated columns, the description explains how they are calculated.
- Save the file.
- Click the **Run Data Export** button.

**Run Data Export** ✕

Company EINs

Pay Date Calendar Range ▾ Last Month ▾ (04/01/2020 – 04/30/2020)

Employee Filter All Employees

Exclude Employees Outside US

Include Only Finalized Payrolls

Loan Amount

Show Totals Only

Custom Earnings List for Wages None ▾

Custom Deductions List for Retirement Benefits None ▾

Custom Deductions List for Health Benefits None ▾

Custom Earnings List for Hours Paid For None ▾

Deliver (Saved Settings)
Deliver To
Export

- If you are a multi EIN company, select one or more EINs.
- Set Pay Date, if the default is not correct.
- Verify or set the option for including/excluding only finalized payrolls.
- Verify or set the option for including/excluding for employees outside the U.S.
- Click **Export**. The report will be exported as a .csv file. You can also click the **Download File** link to download the exported .csv file.

**Run Data Export** ✕

2 Hide All

Data export generated.  
[Download File](#)

Company EINs

Pay Date Calendar Range ▾ Last Month ▾ (04/01/2020 – 04/30/2020)

Employee Filter All Employees

Exclude Employees Outside US

Include Only Finalized Payrolls

Loan Amount

Show Totals Only

Custom Earnings List for Wages None ▾

Custom Deductions List for Retirement Benefits None ▾

Custom Deductions List for Health Benefits None ▾

Custom Earnings List for Hours Paid For None ▾

Deliver (Saved Settings)
Deliver To
Export

# Export Example

1	Company Name	EIN Name	EIN	Employee	Employee	Employee	Gross Wag	Excluded	Included	W Prorated	Excess W	Included	Retireme	State & Lo	Payroll Co	Months In	Average A	Pay Period	Pay Period	Head Cou	Hours Pair	FTE Hours	Head Cou	Head Cou	Pay Rate	Pay Rate
2	ABC Company	Default	123456789 xxxxx	John	Doe		105000		105000	100000	5000	100000	4075	3150	107225	12	8935.42	Bi-Weekly	25	26	0.96	2120	2080	1.02	1	\$102,000 / \$107,000
3	ABC Company	Default	123456789 xxxxx	Luke	Skywalker		102000	5110	96890	100000	0	96890	4000	2950	103840	12	8653.33	Multiple	32	1	1850	2080	0.89	0.89	\$47,000 / \$50,000	
4	ABC Company	Default	123456789 xxxxx	Indiana	Jones		80000		80000	100000	0	80000	3250	1800	85050	12	7087.5	Weekly	52	52	1	2080	2080	1	1	\$80,000.00 / \$80,000.00
5																										
6							287000	5110	281890		5000	276890	11325	7900	296115		24676.25				2.96	6050		2.91	2.89	
7																										
8																										
9																										
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25																										

## Recommended Usage

You can create multiple versions of the export. We have highlighted 4 different instances that you could create for the export.

1. Create a version of the PPP export for the Loan Application.
2. Create a version of the PPP export for the Headcount Lookback Period.
3. Create a version for the PPP export for the Wage Reduction Lookback Period.
4. Create a version of the PPP export for Loan Forgiveness.

## Filters for the Export

### 1. Company EINs

- If you have separate loan applications for each EIN, you may wish to create separate exports for each EIN.

### 2. Pay Date

- Use a Pay Date range for each export as applicable.

### 3. Employee Filters

- You are required to exclude all employees that have their primary address outside of the US. The *Exclude Employees Outside US* filter will exclude all employees that currently have a primary address outside of the US.
- However, if you had employees that had a primary address outside of the US in the date range, but their primary address in the Workforce Ready is inside of the US use the *Employee Filter* to exclude them.

### 4. Include Only Finalized Payrolls

### 5. Loan Amount

- This can be used for the Loan Forgiveness Export to determine how your Total Payroll Cost is tracking towards your loan.

### 6. Show Totals Only

- This allows you to just view the summarized data including the date range used for the export without having to scroll through each EEs individual numbers.

### 7. Custom Earnings List for Wages

- If None is selected, the export will include all Regular Wages, Cash and Reimbursements.
- If you are giving Reimbursements to your employees through payroll that should not be included in the Payroll Costs or know there are other Earnings that should be included or excluded in the Wage total, create an Earnings List that includes all the earnings that should count toward the PPP loan and use this Earnings List for all your PPP exports.
- Note: it will **not** matter if you include or exclude FFCRA Sick Pay or Family Leave in this list. The export will **exclude** them in the Excluded Wages column if you add them to this Earnings List.

### 8. Custom Deductions List for Retirement Benefits

- If None is selected, the export will include all the Employer portions of Pension deductions
- If you are supplying retirement benefits through different deductions codes than the Workforce Ready pension deduction types, create a Deductions List that includes all the deductions that should count toward the PPP loan as retirement benefits and use this Deductions List for all your PPP exports.

### 9. Custom Deductions List for Health Benefits



- If None is selected, the export will include all the Employer portions of Default, FSA, HSA and Cobra deductions.
- If you are supplying health benefits through different deductions codes than these Workforce Ready deduction types or where some of your default deduction types are **not** health benefits, create a Deductions List that includes all the deductions that should count toward the PPP loan as health benefits and use this Deductions List for all your PPP exports.

### 10. Custom Earnings List for Hours Paid For

- If None is selected, the export will include only Actual Work Hours.
- If your Earning Codes were not configured to capture Actual Work Hours correctly or there are hours that are or are not captured in Actual Work Hours that should be included/excluded, create an Earnings List that includes all the hours that should count toward the PPP loan and use this Earnings List for all your PPP exports.
- **Note:** it **will** matter if you include or exclude *FFCRA Sick Pay* or *Family Leave* in this list. The export will **include** any hours associated to them if you add them to this Earnings List.

### Loan Application Export

Select the date range that is relevant for your business.

1. If you are a new business (defined as starting after February 15<sup>th</sup>, 2019) use:
  - Date Range: January 1<sup>st</sup>, 2020 – February 29<sup>th</sup>, 2020
2. If you are a seasonal business use:
  - Date Range: March 1<sup>st</sup>, 2019 – June 30<sup>th</sup>, 2019
  - Note: you can also use February 15<sup>th</sup>, 2019 – June 30<sup>th</sup>, 2019. However, this may bring your average monthly payroll costs down because an extra month is included, and you may be missing one or more pay dates in February.
3. All other employers should use:
  - Date Range: January 1<sup>st</sup>, 2019 – December 31<sup>st</sup>, 2019
  - Calendar Range: Last Year
  - Note: both above filters use the same date range

The columns to include for the loan application are dependant on what your bank requests to include in the application. Some key columns may include:

- Wages (\$)
- Excess Wages (\$)
- Retirement Benefits (ER) (\$)
- Health Benefits (ER) (\$)
- State & Local Taxes (ER) (\$)
- Payroll Cost Total (\$)
- Average Monthly Payroll Cost (\$)
- Head Count Per Pay Period Paid
  - This column should be used to show you qualify by having less than 500 employees.

## Lookback Period for Head Count Export

The government provides 2 date ranges that you can use as a baseline.

- January 1<sup>st</sup>, 2020 – February 29<sup>th</sup>, 2020
- February 15<sup>th</sup>, 2019 – June 30<sup>th</sup>, 2019.

Your company would probably want to use the date range that has the lowest head count as the baseline head count.

The export provides 4 columns for Head Count:

- **Head Count Per Pay Period Paid**
  - This is relevant for full time employees, so that they are only include in the pay periods that they got paid.
- **Head Count Per Hours Paid Capped**
  - This is to determine how much part time employees count towards an FTE.
- **Combined Head Count**
  - This will assume Employees with zero hours are full time, so use Head Count Per Pay Period Paid. Otherwise it will use Head Count Per Hours Paid Capped.
- **Simplified Head Count**
  - This will assume Employees with zero hours are full time, so use Head Count Per Pay Period Paid. If they are paid in each pay period they will count as 1.0, otherwise as 0.5 for the date range. For any employee with Hours Paid For, if the average hours per week is at least 40 hours, the employee will count as 1.0, otherwise 0.5.

**Combined Head Count** or **Simplified Head Count** can be used to determine the FTE head count. The same field would also need to be used for the comparison in the Loan Forgiveness Export.

## Lookback Period for Wage Reduction Export



The date range for this is the quarter before your loan. In most cases this would be:

- January 1<sup>st</sup>, 2020 – March 31<sup>st</sup>, 2020
- Other, if your loan did not start until after June 30<sup>th</sup>, 2020
- Any employees that made over 100k annualized in at least one pay period in 2019 can be excluded. These can be identified by any employees having excess wages in the export for any pay period in 2019. These can be excluded by using the employee filter for this export.

## Loan Forgiveness Export

Select the date range for your loan Covered Period or the Alternative Payroll Covered Period. This should be exactly 8 weeks (so if the loan started on a Monday, the end of the date range should be a Sunday).

For example:

Pay Date	Date Range ▾	From:	04/06/2020	
		To:	05/31/2020	

**Note:** Use *Date Range* not *Calendar Range*

Some key columns may include:

- Wages (\$)
- Excluded Wages (\$)
- Excess Wages (\$)
- Included Wages to Cap (\$)
- Retirement Benefits (ER) (\$)
- Health Benefits (ER) (\$)
- State & Local Taxes (ER) (\$)
- Payroll Cost Total (\$)
- Combined Head Count
- Simplified Head Count

**Note:** If you had any employees making over 100k annualized in at least one pay period in 2019, you will need to create 2 additional versions of this export. One with Employees that made over 100k annualized in at least one pay period in 2019 and one *excluding* Employees that made over 100k annualized in at least one pay period in 2019. These can be used for the 2 tables requested in SBA Form 3508 - PPP Schedule A Worksheet.

## SBA Form 3508

This section is intended to assist you with filling out the PPP Loan Forgiveness Calculation Form and PPP Schedule A.

### PPP Schedule A

**Line 1:** use “Included Wages to Cap (\$)” from your Loan Forgiveness Export *excluding* employees that made over 100k annualized in at least one pay period in 2019

**Line 2:** use “Combined Head Count” or “Simplified Head Count” from your Loan Forgiveness Export *excluding* employees that made over 100k annualized in at least one pay period in 2019

- If you have FTE Reduction Exceptions, you will need to add these to the total (see PPP Schedule A Worksheet – Table 1)

**Line 3:** use Loan Forgiveness Export *excluding* employees that made over 100k annualized in at least one pay period in 2019 to identify which employees you need to verify have not had an average wage reduction of at least 75%. Compare this to their average wages in the Lookback Period for Wage Reduction Export.

- To calculate average hourly wages, you can divide the wages by the hours paid for. To calculate the average annual wage, you can divide the wages by the number of pay periods paid and multiply this by the number of pay periods in the year.
- See **Instructions for PPP Schedule A Worksheet** for further details.

**Line 4:** use “Included Wages to Cap (\$)” from your Loan Forgiveness Export *including* employees that made over 100k annualized in at least one pay period in 2019

**Line 5:** use “Combined Head Count” or “Simplified Head Count” from your Loan Forgiveness Export *including* employees that made over 100k annualized in at least one pay period in 2019

**Line 6:** use “Health Benefits (ER) (\$)” from your Loan Forgiveness Export including all employees in the US

**Line 7:** use “Health Retirement (ER) (\$)” from your Loan Forgiveness Export including all employees in the US

**Line 8:** use “State & Local Taxes (ER) (\$)” from your Loan Forgiveness Export including all employees in the US

**Line 9:** this amount may not be available in Workforce Ready

**Line 10:** use “Payroll Cost Total (ER) (\$)” from your Loan Forgiveness Export including all employees in the US

**Line 11:** use “Combined Head Count” or “Simplified Head Count” from your Lookback Period for Head Count Export

**Line 12:** use “Combined Head Count” or “Simplified Head Count” from your Loan Forgiveness Export including all employees in the US

- If you have FTE Reduction Exceptions, you will need to add these to the total (see PPP Schedule A Worksheet – Table 1)

**Line 13:** use the math provided in the worksheet

### **PPP Loan Forgiveness Calculation Form**

All the amounts in PPP Schedule A can be used to fill out this form.

## Alternative Option - Paycheck Protection Program (PPP) Report

This document will take you through the steps to create a report to assist with applying for a loan under the Paycheck Protection Program inside Kronos Workforce Ready (WFR).

### Creating a PPP Report in WFR

We recommend using the Earning/Deduction/Tax Listings (Summary) report which can be found under *Payroll > Reports > Pay History > Earning/Deduction/Tax Listing (Summary)*.

#### Step 1 – Remove Unused Columns

Remove the *PST Record: Amount* & *PST Record: Amount (ER)* columns.

### Add/Remove Columns X

X

Available Columns	Current Columns
<input type="checkbox"/> PST Record: Amount (EE+ER)	<input checked="" type="checkbox"/> PST Record: Amount
<input type="checkbox"/> PST Record: Amount (ER, With a Sign)	<input checked="" type="checkbox"/> PST Record: Amount(ER)
<input type="checkbox"/> PST Record: Amount (With a Sign)	

ADDREMOVE▲ ▼

MANAGE CUSTOM COLUMNSCANCELAPPLY

## Step 2 – Add Gross Amount

Add the *PST Record: Gross* column.

### Add/Remove Columns X

🔍

#### Available Columns

- PST Record: **Gross**
- PST Record: **Gross** Subject Wages
- PST Record: **Gross** Subject Wages (ER)
- PST Record: **Gross** Wages
- PST Record: **Gross** Wages (ER)

#### Current Columns

i Sorry, but nothing matches your search items. Please try again with different parameters

ADD

REMOVE

▲▼

MANAGE CUSTOM COLUMNS

CANCEL

APPLY

**Warning/Note:** The Gross amount may include payroll costs that do not qualify as Payroll Costs under the Paycheck Protection Program. If your company pays taxable fringe benefits or uses payroll for reimbursements these may be included in the gross amount. You may need to deduct them from the gross amount. This can be done by adding these Earning Amounts to the report and subtracting them from the Gross Amount. Additionally, 1099 could be included in the Gross Amount. You may need to exclude 1099 employees from this report using the Employee filter.

### Step 3 – Add Employer Provided Benefits

Add any Employer amounts that your business paid on behalf of your employees.

These include:

- Payment required for the provisions of group health care benefits, including insurance premiums (i.e., the business' share of benefit costs)
- Payment of any retirement benefit (e.g., employer 401(k) contributions, pension plans, profit-sharing plans, SEP IRAs, Simple IRAs, etc.)

Kronos is unable to give you a precise list of what to include, because these deduction names are unique for each business.

Use the following search term in the *Search Available Columns* box when adding these columns.

- **Deduction Amount (ER)**

The screenshot shows a dialog box titled "Add/Remove Columns" with a search bar containing "Deduction Amount (ER)". Below the search bar are two columns: "Available Columns" and "Current Columns". The "Available Columns" list includes several items, with "PST Record: Deduction Amount (ER): Medical" and "PST Record: Deduction Amount (ER): Roth 401k" checked. The "Current Columns" section shows a message: "Sorry, but nothing matches your search items. Please try again with different parameters". The "ADD" button is highlighted with a red box. At the bottom are buttons for "MANAGE CUSTOM COLUMNS", "CANCEL", and "APPLY".

Only add the Employer portion of the deductions that qualify as payroll costs under the Payroll Protection Program.

#### Step 4 – Add Employer Paid State and Local Taxes

Add any Employer amounts that your business paid in local and state taxes.

These include:

- Payment of state or local tax assessed on the compensation of employees (e.g., state unemployment taxes)

Kronos is unable to give you a precise list of what to include. However, it is our understanding that the employer portion of the federal taxes are excluded for all periods for which the payroll costs qualify.

Use the following search term in the *Search Available Columns* box when adding these columns.

- **Tax Amount (ER)**

Add/Remove Columns X

Tax Amount (ER) 🔍

Available Columns	Current Columns
<input checked="" type="checkbox"/> PST Record: <b>Tax Amount (ER)</b> : ER SUTA Ohio (Default)	<input type="checkbox"/> PST Record: <b>Tax Amount (ER)</b> : California Employment Training ...
<input checked="" type="checkbox"/> PST Record: <b>Tax Amount (ER)</b> : ER SUTA Pennsylvania (Defa...	<input type="checkbox"/> PST Record: <b>Tax Amount (ER)</b> : ER SUTA California (Default)
<input checked="" type="checkbox"/> PST Record: <b>Tax Amount (ER)</b> : ER SUTA South Carolina (Def...	
<input checked="" type="checkbox"/> PST Record: <b>Tax Amount (ER)</b> : ER SUTA Texas (Default)	
<input checked="" type="checkbox"/> PST Record: <b>Tax Amount (ER)</b> : ER SUTA Virginia (Default)	
<input checked="" type="checkbox"/> PST Record: <b>Tax Amount (ER)</b> : ER SUTA West Virginia (Defa...	
<input checked="" type="checkbox"/> PST Record: <b>Tax Amount (ER)</b> : ER SUTA Wyoming (Default)	
<input type="checkbox"/> PST Record: <b>Tax Amount (ER)</b> : Employer RRTA Tier I Tax (De...	
<input type="checkbox"/> PST Record: <b>Tax Amount (ER)</b> : Employer RRTA Tier II Tax (D...	

**ADD** REMOVE ⬆️ ⬇️

MANAGE CUSTOM COLUMNS CANCEL APPLY



## Step 5 – Add or Remove Additional Columns (Optional)

Add or remove other columns to the report that you want included/excluded.

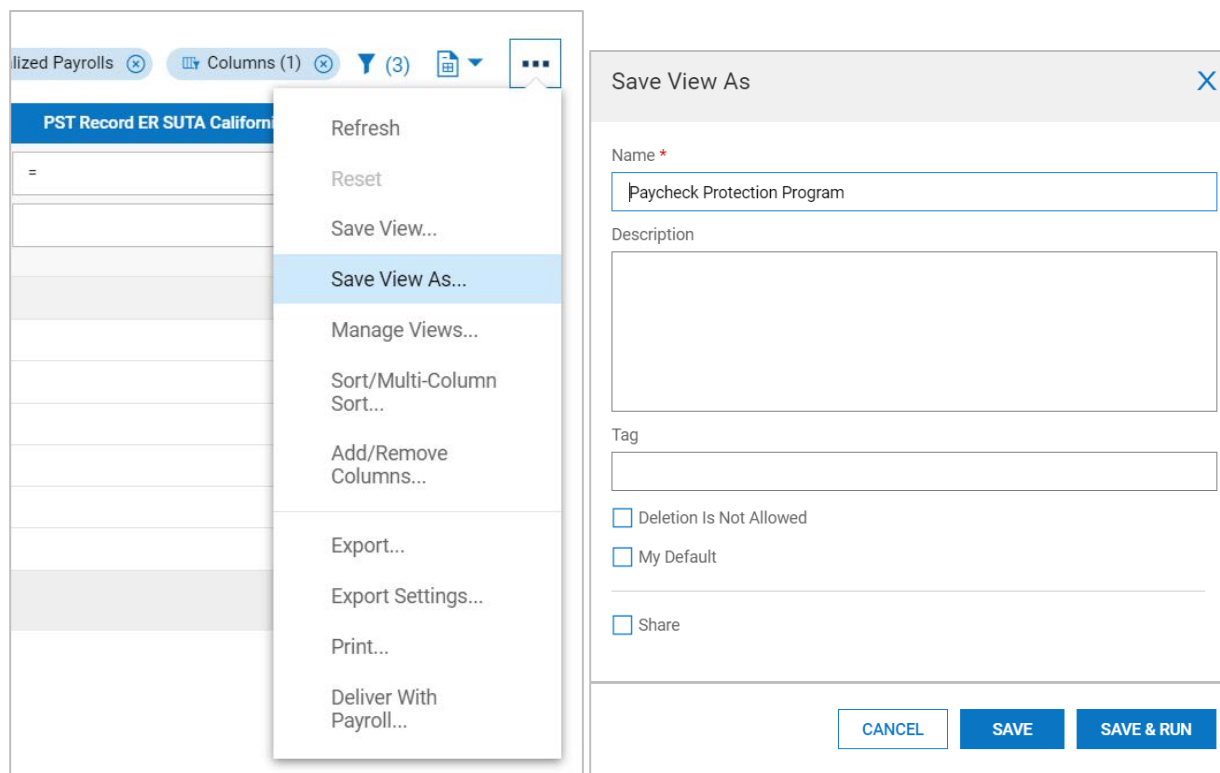
## Step 6 – Set Date Range

- If you are a new business (defined as starting after February 15<sup>th</sup>, 2019) use:
  - Date Range: January 1<sup>st</sup>, 2020 – February 29<sup>th</sup>, 2020
- If you are a seasonal business use:
  - Date Range: March 1<sup>st</sup>, 2019 – June 30<sup>th</sup>, 2019
  - Note: you can also use February 15<sup>th</sup>, 2019 – June 30<sup>th</sup>, 2019. However, this may bring your average monthly payroll costs down because an extra month is included, and you may be missing one or more pay dates in February.
- All other employers should use:
  - Date Range: January 1<sup>st</sup>, 2019 – December 31<sup>st</sup>, 2019
  - Calendar Range: Last Year
  - Note: both above filters use the same date range

The image displays two side-by-side screenshots of the 'Filters' dialog box. Both screenshots have tabs for 'Global', 'Column', and 'Custom'. The left screenshot shows the 'Date Range' filter type selected. Under 'Pay Dates Type', 'Date Range' is chosen. The 'From' date is 01/01/2020 and the 'To' date is 02/29/2020. The 'Employee Filter' is set to 'All Employees'. Under 'Options', the checkbox for 'Show Only Finalized Payrolls' is checked. The right screenshot shows the 'Calendar Range' filter type selected. Under 'Pay Dates Type', 'Calendar Range' is chosen. The 'Date Range' is set to 'Last Year'. Below this, a grey box displays 'Selected range Jan 01 - Dec 31, 2019'. The 'Employee Filter' is set to 'All Employees'. Under 'Options', the checkbox for 'Show Only Finalized Payrolls' is checked.

## Step 7 – Save Report

We recommend you save this report, so you do not lose your progress of adding these columns.



## Step 8 – Export to Excel

### Step 9 – Sum Totals to get Total Payroll Cost

Sum the Total row at the bottom to get your **Total Payroll Cost** as defined under the PPP.

**Note:** Depending on your export settings you may be required to convert all the totals to in your *Total* row to numbers using Excel's *Convert to Number*

### Step 10 – Calculate Monthly Average Payroll Costs

- If you are not a new business (defined as starting after February 15<sup>th</sup>, 2019) use and used the Date Range: January 1<sup>st</sup>, 2020 – February 29<sup>th</sup>, 2020:
  - Divide your Total Payroll Cost by 2, because the date range spans 2 months
- If you are a seasonal business and used
  - Date Range: March 1<sup>st</sup>, 2019 – June 30<sup>th</sup>, 2019
    - Divide your Total Payroll Cost by 4, because the date range spans 4 months
  - Date Range: February 15<sup>th</sup>, 2019 – June 30<sup>th</sup>, 2019
    - Divide your Total Payroll Cost by 5, because the date range spans 5 months
- If you used a date range of January 1<sup>st</sup>, 2019 – December 31<sup>st</sup>, 2019

Divide your Total Payroll Cost by 12, because the date range spans 12 months

## Mandatory Exclusions

If you have any employees with a primary residence outside the United States, you need to completely exclude them.

If you have any employees that make more than 100k as prorated over the covered period, you need to exclude the portion above 100k.

Qualified sick leave wages and qualified family wages under Families First Coronavirus Response Act are also excluded. However, since this was not paid supported in Workforce Ready until April 1<sup>st</sup>, 2020, these amounts will not fall within any of the specified date ranges.

## Excluding Employees with a Primary Residence outside of the United States

This step is only needed if you have employees with a primary residence outside of the united states and you pay them through Payroll in WFR.

If you can identify these employees by their Address, you can add the *Employee Address: Country* to the report and filter on that column to only include the *United States*.

The image shows two side-by-side panels from a software interface. The left panel is titled 'Add/Remove Columns' and has a search bar containing 'country'. Below the search bar are two columns: 'Available Columns' with two items, 'Employee Address: Country' and 'Employee Alt. Address: Country', both with unchecked checkboxes; and 'Current Columns' which is empty and contains a message: 'Sorry, but nothing matches your search items. Please try again with different parameters'. At the bottom of this panel are 'ADD', 'REMOVE', 'MANAGE CUSTOM COLUMNS', 'CANCEL', and 'APPLY' buttons. The right panel is titled 'Filters' and has three tabs: 'Global', 'Column', and 'Custom'. The 'Column' tab is selected. It features a 'Clear Filters' button and a section for 'GROUPED COLUMNS'. Under this section, there are two filter rows. The first row is for 'Employee Id' with an equals sign in a dropdown and an empty text box. The second row is for 'Country' with an equals sign in a dropdown and a text box containing 'United States'.

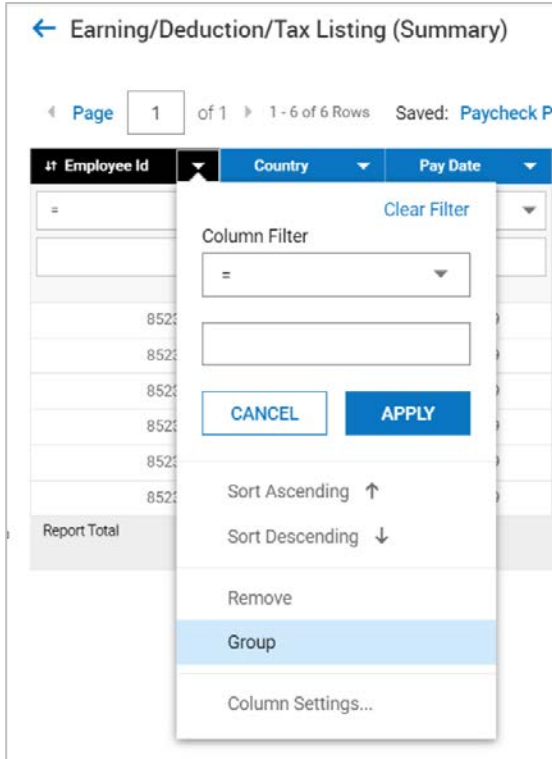
Otherwise you may need to manually filter out these employees by using the *Employee Filter*.

## Exclude Wages in Excess of \$100k

If you have employees that make 100k on a prorated basis, below is a way to take the excess wages into account. The following will show how to remove the excess gross wages in excel.

### Step 1 – Group Report by Employee

First Group the report you created by Employee ID.



### Step 2 – Export to Excel

### Step 3 – Add Excess Wages Column

After exporting to Excel, add a new column to the right of *Record Gross* and name it *Excess Wages* (or something similar).

### Step 4 – Add Formula to Calculate Excess Wages from Subtotals

Copy one of the following formulas into the new *Excess Wages* column you have added.

- If you are not a new business (defined as starting after February 15<sup>th</sup>, 2019) use and used the Date Range: January 1<sup>st</sup>, 2020 – February 29<sup>th</sup>, 2020:
  - Copy this formula into the cell
    - =IF(A9="Subtotal",MIN(0,16666.67-B9),"")
  - Divide \$100,000 by 12 months and multiple by 2 months = \$16,666.67
  - Anything above this would be excess wages in the 2-month period
- If you are a seasonal business and used
  - Date Range: March 1<sup>st</sup>, 2019 – June 30<sup>th</sup>, 2019
    - Copy this formula into the cell
      - =IF(A9="Subtotal",MIN(0,33333.33-B9),"")

- Divide \$100,000 by 12 months and multiple by 4 months = \$33,333.33
- Anything above this would be excess wages in the 3-month period
- Date Range: February 15<sup>th</sup>, 2019 – June 30<sup>th</sup>, 2019
  - Copy this formula into the cell
    - =IF(A9="Subtotal",MIN(0,41666.67.33- B9),"")
  - Divide \$100,000 by 12 months and multiple by 5 months = \$41,666.67
  - Anything above this would be excess wages in the 4-month period
- If you used a date range of January 1<sup>st</sup>, 2019 – December 31<sup>st</sup>, 2019
  - Copy this formula into the cell
    - =IF(A9="Subtotal",MIN(0,100000- B9),"")

C34    =IF(A34="Subtotal",MIN(0,100000-B34),"")

	A	B	C	D
31		\$ 4,615.38		\$ 165.91
32		\$ 4,615.38		\$ 165.91
33				
34	Subtotal	\$ 110,769.12	(\$10,769.12)	\$ 3,981.84
35				
36	Employee Id	xxxxxx		
		<b>Record Gross</b>	<b>Excess Wages</b>	<b>PST Record</b>
				<b>Medical Amount(ER)</b>
38		\$ 4,615.38		\$ 165.91
39		\$ 4,615.38		\$ 165.91
40		\$ 4,615.38		\$ 165.91
41		\$ 4,615.38		\$ 165.91
42		\$ 4,615.38		\$ 165.91
43		\$ 4,615.38		\$ 165.91
44		\$ 4,615.38		\$ 165.91
45		\$ 4,615.38		\$ 165.91
46		\$ 4,615.38		\$ 165.91
47		\$ 4,615.38		\$ 165.91
48		\$ 4,615.38		\$ 165.91
49		\$ 4,615.38		\$ 165.91
50		\$ 4,615.38		\$ 165.91
51		\$ 4,615.38		\$ 165.91
52		\$ 4,615.38		\$ 165.91
53		\$ 4,615.38		\$ 165.91
54		\$ 4,615.38		\$ 165.91
55		\$ 4,615.38		\$ 165.91
56		\$ 4,615.38		\$ 165.91
57		\$ 4,615.38		\$ 165.91
58		\$ 4,615.38		\$ 165.91
59		\$ 4,615.38		\$ 165.91
60		\$ 4,615.38		\$ 165.91
61		\$ 4,615.38		\$ 165.91
62				
63	Subtotal	\$ 110,769.12	(\$10,769.12)	\$ 3,981.84
64	Total			
65		\$ 221,538.24	(\$21,538.24)	\$ 7,963.68
66				

**IMPORTANT NOTE:** All these formulas assume *Subtotal text is in column A* and that *Record Gross is in Column B* and that you are starting on *Row 9*. If these correspond to a different row number or columns change A9 and B9 in the formula accordingly.

After you have verified the formula is calculating correctly, copy the cell you pasted the formula down into all the other rows for the *Excess Wages* column.

**Step 5 – Sum up all the Excess Wages**

Sum up all the Excess Wages by adding a =SUM(C9:Cxxx) formula to the *Excess Wages* column in the *Total* row.

**NOTE:** This formula assumes *Excess Wages is in column C* and that the first *Excess Wages* could show up starting on *Row 9*. Also replace xxx with the last row on the report that contains *Excess Wages*. If these correspond to a different row number or columns change C9 and Cxxx in the formula accordingly.

**Step 6 – Sum Totals to get Total Payroll Cost**

Sum the Total row at the bottom to get your **Total Payroll Cost** as defined under the PPP.

**NOTE:** Depending on your export settings you may be required to convert all the totals to in your *Total* row to numbers using Excel’s *Convert to Number*.

16	<b>Subtotal</b>		\$9,230.76
17	<b>Total</b>		
18			\$9,230.76
19			
20			
21			
22			
23			

**Step 7 – Calculate Monthly Average Payroll Costs**

- If you are not a new business (defined as starting after February 15<sup>th</sup>, 2019) use and used the Date Range: January 1<sup>st</sup>, 2020 – February 29<sup>th</sup>, 2020:
  - Divide your Total Payroll Cost by 2, because the date range spans 2 months
- If you are a seasonal business and used
  - Date Range: March 1<sup>st</sup>, 2019 – June 30<sup>th</sup>, 2019
    - Divide your Total Payroll Cost by 4, because the date range spans 4 months
  - Date Range: February 15<sup>th</sup>, 2019 – June 30<sup>th</sup>, 2019
    - Divide your Total Payroll Cost by 5, because the date range spans 5 months
- If you used a date range of January 1<sup>st</sup>, 2019 – December 31<sup>st</sup>, 2019
  - Divide your Total Payroll Cost by 12, because the date range spans 12 months

**Multiple EINs**

If you have multiple EINs configured in Workforce Ready you may want to create a separate report for each EIN or group, the report by EIN.