



Minute Men HR Management Services

Evolution Setup - FFCRA

Last updated: Apr 15, 2020



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Please read this entire document thoroughly prior to setting up new E/D Codes and TOA plans.

Evolution has two new Earning Codes and one new Memo Code to enable the proper processing of Sick and FMLA time in accordance with the Families First Coronavirus Response Act (FFCRA). These new codes will update liabilities appropriately and allow for proper tracking of benefits usage.

In addition to creating these new codes, new Time Off Accrual Plans must be added so that employees using time off for FFCRA-related issues can be properly tracked and paid. The new Time off Accrual plans are described below.

New Earning and Memo Codes

The table below describes the new Earnings Codes and Memo Code created to be used for the sick and expanded FMLA plans.

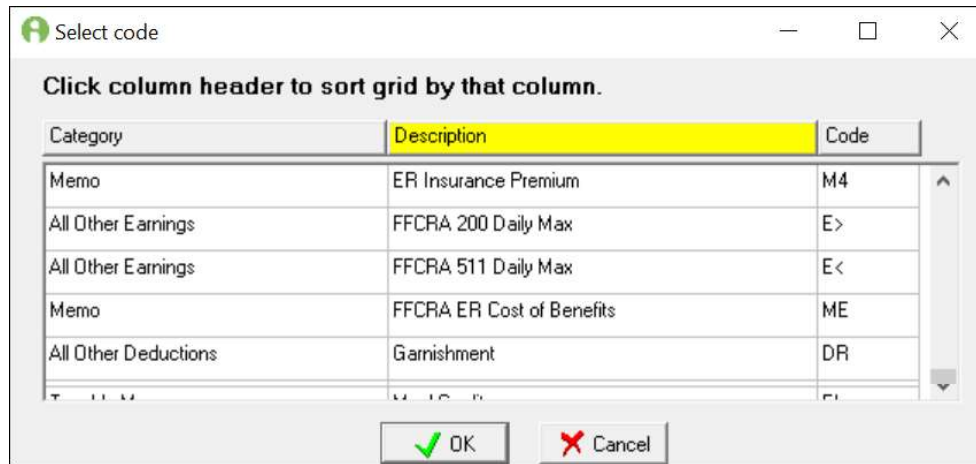
ED Code Type	ED Code Type Description	ED code Usage
E<	FFCRA 511 Daily Max	Use this earning code for Sick time and Expanded FMLA time. There is a cap of \$511 per day / \$5,110 per week. This code will create a Federal Credit Liability in addition to the other Federal Liabilities to be reported on the 941, and allow for the reduction of ACH Tax Impound.

Use this earning code for Expanded FMLA plans that are capped at 2/3 of regular pay up to \$200 per day, and a Max of \$12,000 over a 12-week period. This code will create a Federal Credit Liability in addition to the other Federal Liabilities to be reported on the 941, and allow for the reduction of ACH Tax Impound

ME

FFCRA ER Cost of Benefits

Use this memo code to capture the employer's cost of health benefits while the employee is being paid under the FFCRA 511 or FFCRA 200 codes. This code will create a Federal Credit Liability in addition to the other Federal Liabilities to be reported on the 941, and allow for the reduction of ACH Tax Impound. This code requires the use of an E/D Group to capture the amounts of the actual ER Benefit Amount. This code will not affect W-2 or NVMBT reporting.



Quicksteps for Setup

Follow the steps below to set up the new E/Ds at the client and company levels.

Step

1

Set up new E/D Codes on the [Client - E/D Codes Screen](#) and copy them to the Company. For ease of use, we recommend giving the codes an easily identifiable naming convention.

Examples

- E< = FFCRA 511 Max - FFCRA Sick Plan 511
- E> = FFCRA 200 Max - FFCRA Sick Plan 200
- E> = FFCRA 200 FMLA - FFCRA Expanded Leave Plan
- ME = FFCRA Employer Cost of Benefits

Description

1. FFCRA Usage - Include in this group the FFCRA 511Max and FFCRA 200Max E/D Codes created in Step 1
2. FFCRA Benefit - Include in this group the actual Employer Paid Medical Benefit E/D code(s)

E/D Groups	
?	Name
▶	FFCRA Accrual
	FFCRA Benefit
	FFCRA Usage

- 3 Create the Time Off Accrual Plans on the [Company - Benefits - Time Off Accrual](#) screen

1. FFCRA Sick Plan - Create the Time Off Accrual Plan, Rates and Tiers
2. FFCRA Expanded Leave - Create the Time Off Accrual Plan

Summary		
?	Description	Frequency
▶	FFCRA SICK	Monthly
	FFCRA Expanded FMLA	Annual

- 4 Assign Time Off Accrual Plans to employees as needed.

- FFCRA Sick Plan - We recommend setting the FFCRA Sick Plan up to accrue the set of hours that will be needed for this company. Regulations have capped this at 80 hours to be used over 2 weeks
- FFCRA Expanded Leave Plan - We recommend setting the FFCRA Expanded Leave Plan up to be a balance only plan, and to set this up with the specified number of hours that the employee should be allowed.

Summary					
?	Type	Balance	Accrued	Used	Override Eff Date
	FFCRA SICK	0	0	0	4/1/2020
▶	FFCRA Expanded FMLA	400	400	0	4/15/2020

- 5 For employees who qualify, add a scheduled E/D for the Code Type ME (FFCRA Employer Benefit). This Scheduled E/D should be set with a **Calculation Method** of "% of E/D Group Amount" and the **E/D Group** referenced should be the "FFCRA Benefit" group.

Browse Browse Scheduled E/Ds Details Advanced Direct Deposits Child Support Cases

Browse Scheduled Earnings and Deductions

E/D Code	Description	Calculation Type	Amount	Percentage	Frequency	Eff Start Date	Eff End Date	Enabled
D07	Safe Harbor Match	P		5.00	D	3/26/2020		Y
D08	Pretax Medical Insurance	F	30.00		P	3/26/2020		Y
D09	ER Medical	F	44.38		D	3/26/2020		Y
M191	FFCRA ER Cost of Benefits	P		100.00	D	3/26/2020		Y

Earning / Deduction Code

E/D Code *

M191 FFCRA ER Cost of Benefits

Calculation

Calculation Method *

% of E/D Group Amt E/D Group

Amount % Percentage

100.00

NOTE: PLEASE READ

It is our recommendation to set these items up on your Sample Company in Evolution. Once set up, you may use the Copy To feature in Evolution on each of these items to copy these to other clients and companies to allow for quicker and more efficient setup. These must be done in order, otherwise items may not copy completely due to missing information.

To use the Copy feature on these items, go to the Menu below and select the item(s) to be copied. Right-click > click **Copy To**

Copy Item

Copy E/Ds to other clients

1. Go to Client - E/Ds
2. Right-click the E/D(s) to copy

Copy E/D Groups (including assigned E/D Codes)

1. Go to Client - E/D Group Codes
2. Select the group from E/D Groups list > right-click the E/D Group(s) to copy.

Copy E/D Codes to companies

1. Go to Client - E/Ds
2. Right-click the E/D(s) to copy > select Copy to Company E/D

Copy TOA plans to other companies

1. Go to Company - Benefits - Time Off Accrual - Details tab
2. Select the TOA plan > right-click to copy

Copy TOA Rates to other companies

1. Go to Company - Benefits - Time Off Accrual Rates - Details tab
2. Select all Rates > right-click to copy.

Copy Assigned TOA from one employee to others

1. Go to Employee - Time Off Accrual - Details tab
2. Select plan(s) > right-click to copy.

Copy Scheduled E/D from one employee to others

1. Go to Employee - Scheduled E/Ds
2. Browse Scheduled E/Ds > right-click to copy

Step 1: Setting up E/D Codes

To setup the E/D Codes:

1. Go to the [Client- E/Ds - Details tab](#)
2. Click the **Plus sign** to add a new record.
3. Select the E/D Code Type and add the E/D Code and Description that will be used.
 - o Create Codes for E<, E> and ME. We recommend a naming convention that is easily recognized.
4. Once created, these codes can be copied to all applicable clients and to all applicable companies.

Step 2: Setting up E/D Groups

To setup the 2 E/D Groups:

1. Go to the [Client - E/D Groups - Details tab](#)
2. Click the **plus sign** to add a new record.
3. Create the following E/D Groups and add the E/D Codes to the groups
 - o [FFCRA Usage](#) - Include the FFCRA 511 and FFCRA 200 E/D Codes created in Step 1
 - o [FFCRA Benefit](#) - Include the actual Employer Paid Medical Benefit E/D Code(s)

Step 3: Creating Time Off Accrual Plans

We recommend creating two TOA plans to capitalize on the earning limits set forth by the FFCRA regulations. Setup of these plans will enable the proper calculation and use of the new Earning codes. The system requires use of an associated Time Off Accrual plan use the calculations and track the applicable maximum amounts per day.

FFCRA Sick Plan

The first plan is the FFCRA Sick Plan. This plan is used for the first two weeks of employee leave. During this time, the employee is entitled to 100% of their wages up to \$511/day OR 2/3 of their wages, up to or \$200/day depending on the reason that they are on leave. To manage the calculation, use the **Usage E/D Group** and the **Divisor** fields on the [Time Off Accrual - details](#) tab. The setup below describes the plan and how it would be setup to be used with Evolution automatically accruing a specific amount to the employee.

Note: This setup enables Accrual of Hours, and can be set up as Balance Only, without Time Off Accrual Rates. The allotted hours must be manually added to the TOA plan when it is added to the employee.

To add the plan:

1. Go to [Company - Benefits - Time Off Accrual - Details](#)
2. Click the **Plus sign** to create a new record

Time off Accrual Details

Type *		Accrual Active *	
FFCRA SICK		<input checked="" type="radio"/> All EEs <input type="radio"/> Active EEs only <input type="radio"/> EEs with reg/man checks only	
Usage E/D Code *	Usage E/D Group	Auto Create on New Hire *	
E195	FFCRA Usage	<input type="radio"/> Yes <input checked="" type="radio"/> No	
Show E/Ds in ESS *	Accrual E/D Group	Auto Create for Statuses	
<input type="radio"/> Yes <input checked="" type="radio"/> No		<input checked="" type="checkbox"/> N/A <input checked="" type="checkbox"/> Full Time <input checked="" type="checkbox"/> Full Time Temp <input checked="" type="checkbox"/> Part Time	
Frequency *	Accrual Month Number	Show in Self Serve *	Divisor
Monthly		<input checked="" type="radio"/> Yes <input type="radio"/> No	8.00
Ck date of the Month to Accrue *	Digits After Decimal Point	Divisor Description	
None		Days	
Calculation Method *	Show Balance on Check *	Default Hours in Day for ESS	
Accrue by frequency	Unused		
Hourly on standard hours *	Process order *		
<input type="radio"/> Yes <input checked="" type="radio"/> No	Accrue, Use, Reset, Rollover		
HR Attendance Type	Time Off Accrual Rates		

3. Complete the following information:

Type	Enter FFCRA Sick (Or other easily recognizable name)
Usage E/D Code	Select the FFCRA 511 code
Frequency	Select Monthly
Calculation Method	Accrue by Frequency (Set to Balances Only if the hours will be front loaded to the employees instead of being accrued automatically.)
Usage E/D Group	Select the FFCRA Usage Group created in Step 2
Show Balance on Check	Set to Unused
Process Order	Set to Accrue, Use, Reset, Rollover
Divisor	8.00 (This should be whatever the day value is for the company. If the company is a 9 hour day, this should be 9.00)
Divisor Description	Select Days
	Note: The Divisor is essential to the proper use and limit calculation for this Time Off Plan. Evolution uses this to ensure the Maximum Daily Amount is not breached during payroll processing.

All other fields on this screen can be left at the default

4. Next, click the **Cap, Rollover, Reset Settings** tab.

FFCRA SICK

Caps

Maximum Hours to Accrue
80.00

Maximum Hours to Accrue Per Payroll

Maximum Hours to Accrue Per Year
80.00

Minimum Hours Before Accrue
20.00

Months Probation Before Printing on Check

Use balance when cap
 Yes No

Maximum Hours To Accrue On
40.00

Maximum Usage Hours Per Year
80.00

Rollover

Rollover into

Rollover Date

Frequency*
 If set on EE level/ None

Rollover Month Number

Ck date of the Month to Rollover*
 None

Offset in Days/Months

Reset

Frequency*
 Annual(by reset date)

Ck date of the Month to Reset*
 None

Reset Date
 12/31/2020

Reset Month Number

Offset in Days/Months

5. Complete the following information:

Field / Button	Description
CAPS Section	
Maximum Hours to Accrue	Select 80.00
Maximum Hours to Accrue Per Year	Select 80.00
Minimum Hours before Accrue	Select 20.00 (Based on Part-Time Value by Pay Frequency)
Maximum Hours to Accrue On	Select, based on Payroll Frequency (40, 80, 86.67, etc.)
Maximum Usage Hours per Year	Select 80.00
RESET Section	

Reset Date Select 12/31/2020

6. Go to **Company - Benefits - Time Off Accrual Rates - Details** tab*.

*This is not needed for Balances Only Plans

7. Click the **Plus Sign** and add the following 2 records

Minimum Month Number	Maximum Month Number	Hours	Maximum Carryover	Accrual Maximum
0	1	80	0	80
2	9999	0	0	

Summary

Minimum Month Nu...	Maximum Month Number	Hours	Maximum Carryover	Accrual Maximum
0.00	1.00	80.00	0.00	80.00
2.00	9,999.00	0.00	0.00	

Time off Accrual Rate Details

Minimum month number *	Hours *	Accrual maximum
2.00	0.00	
Maximum month number *	Maximum carryover	
9,999.00	0.00	

Time Off Accrual

FFCRA Expanded Leave Plan

The FFCRA Expanded Leave plan is used for the additional 10 weeks of leave available to employees at 2/3 of their pay, capped at \$200 per day. The **Divisor** fields on the Time Off Accrual Details tab are necessary for this calculation. This plan is designed to be a Balances Only plan. When it is added to the employees, the number of available hours for use is front loaded into the system for the employees.

To create the FFCRA Expanded Leave plan:

Time off Accrual Details

Type *		FFCRA Expanded FMLA		Accrual Active *	
Usage E/D Code *		E191		<input checked="" type="radio"/> All EEs <input type="radio"/> Active EEs only <input type="radio"/> EEs with reg/man checks only	
Show E/Ds in ESS *		<input type="radio"/> Yes <input checked="" type="radio"/> No		Auto Create on New Hire *	
Frequency *		Annual		<input type="radio"/> Yes <input checked="" type="radio"/> No	
Ck date of the Month to Accrue *		None		Auto Create for Statuses	
Calculation Method *		Balances only		<input checked="" type="checkbox"/> N/A <input checked="" type="checkbox"/> Full Time <input checked="" type="checkbox"/> Full Time Temp <input checked="" type="checkbox"/> Part Time	
Hourly on standard hours *		<input type="radio"/> Yes <input checked="" type="radio"/> No		Divisor	
HR Attendance Type		<input type="text"/>		8.00	
		<input type="button" value="Time Off Accrual Rates"/>		Divisor Description	
				Days	
				Default Hours in Day for ESS	
				<input type="text"/>	

3. Complete the following information:

Field / Button	Description
Type	Enter FFCRA Expanded Leave (Or other easily recognizable name)
Usage E/D Code	Select the FFCRA 200 FMLA code
Frequency	Select Annual
Calculation Method	Select Balances Only
Show Balance on Check	Set to Unused
Process Order	Set to Accrue, Use, Reset, Rollover
Divisor	8.00 (This should be whatever the day value is for the company. If the company is a 9 hour day, this should be 9.00)
Divisor Description	Select Days

All other fields on this screen can be left at the default

4. Click the **Cap, Rollover, Reset Settings** tab
5. In the RESET section, select
 - o Frequency - Annual by Reset Date
 - o Reset Date - 12/31/2020
6. No Time Off Accrual Rates or Tiers are needed for this plan.

This plan can now be copied from the [Company - Benefits - Time Off Accrual Plans - Details](#) tab to other companies.

Step 4: Adding the TOA plans to Employees

Once the TOA Plans have been created, they can be added to employees who will be executing on the Expanded FMLA. As designed, the FFCRA Sick plan can be set up to accrue the hours. The FFCRA Expanded Leave plan is designed for available hours to be front-loaded.

Assigning the FFCRA Sick plan

1. Go to [Employee - Time Off Accrual - Details](#) tab
2. Click the **Plus Sign** to create a new record

Type	Balance	Accrued	Used	Override Eff Date
FFCRA SICK	0.00	0.00	0.00	4/1/2020
PTO	0.00	0.00	0.00	
Sick 1	0.00	0.00	0.00	
Sick 2	0.00	0.00	0.00	

Detail

Type *
FFCRA SICK

Current Accrued * Current balance
0.00 0.00

Current Used * 0.00 Active

Reason

Overrides

Accrual Maximum Rate Effective Date
 4/1/2020

Rollover Type Rollover Date

3. Complete the following fields

Field / Button	Description
Type	Select the FFCRA Sick plan
Effective Date	Set the Effective Date to when the plan should begin to accrue for use. (This may be effective on 4/1/2020 to be available for use as of the first day that the DOL guidance allowed)

4. Click **Save** and **Commit**.

Now that this plan is setup for the employee, it will accrue 80 hours when a payroll is processed with Batch Dates that contain the Effective Date.

If this plan is Balance Only, or front-loading Part-Time employees' hours, enter the Current Accrued Amount. You will be asked for a reason for the manual entry upon saving.

5. This plan can now be copied from here to additional employees within this company. This copy will copy the Effective date as it is currently set.

Assigning the FFCRA Expanded Leave plan

To assign this plan:

1. Go to the [Employee - Time Off Accrual - Details tab](#).

Summary

Type	Balance	Accrued	Used	Override Eff Date
FFCRA Expanded Leave	400.00	400.00	0.00	4/15/2020
FFCRA SICK	0.00	0.00	0.00	4/1/2020
PTO	0.00	0.00	0.00	

Detail

Type *
FFCRA Expanded Leave

Current Accrued * Current balance

Current Used * Active

Reason

Overrides

Show TOA History

Accrual Maximum Rate Effective Date

Rollover Type Rollover Date

3. Complete the following fields

Field / Button	Description
Type	Select the FFCRA Expanded Leave plan
Current Accrued	Enter the number of hours this employee should be eligible for during the 10 week Leave. You will be asked for a reason for the manual entry upon saving.
Effective Date	<p>Set the Effective Date to when the plan should begin to accrue for use. If the employee is using the FFCRA Sick plan, this date should not begin before 2 weeks after they started the use of the FFCRA Sick plan.</p> <p>Example: If the employee began the FFCRA Sick plan on 4/1/2020, the FFCRA Expanded Leave should not be effective for use until 4/15/2020, or two weeks after the FFCRA Sick plan.</p>

4. Click **Save** and **Commit**.

This TOA plan can now be copied to additional employees in this company.

The FFCRA ER Cost of Benefit Scheduled E/D facilitates the capture of the employer's cost of benefits and creates a credit liability. This amount will be displayed as a negative value in the check line when payroll is processed.

To add this scheduled E/D:

1. Go to [Employee - Scheduled E/Ds - Browse Scheduled E/Ds](#).
2. Click the **Plus Sign** to create a new record.
3. Select the FFCRA ER Cost of Benefit E/D Code

Earning / Deduction Code	Frequency	Destination Details
E/D Code * M191 FFCRA ER Cost of Benefits	Frequency * Every Pay	Agency Child Support Case Garnishment/Loan ID
Calculation Calculation Method * % of E/D Group Amt Amount Always Pay/Deduct * No Priority 2	Month # * None Effective Start Date * 3/26/2020 Effective End Date Which Payrolls * All Block Week 1 * <input type="radio"/> Yes <input checked="" type="radio"/> No Block Week 2 * <input type="radio"/> Yes <input checked="" type="radio"/> No Block Week 3 * <input type="radio"/> Yes <input checked="" type="radio"/> No Block Week 4 * <input type="radio"/> Yes <input checked="" type="radio"/> No Block Week 5 * <input type="radio"/> Yes <input checked="" type="radio"/> No	EE Direct Deposit Deduct Whole Check * <input type="radio"/> Yes <input checked="" type="radio"/> No Take Home Pay
E/D Group FFCRA Benefit % Percentage 100.00 Deductions to zero * <input type="radio"/> Yes <input checked="" type="radio"/> No Multiple Scheduled E/D Group		Navigation <input type="button" value="Employee"/> <input type="button" value="HR Employee Benefits"/>
Company Benefit Employee Benefit Company Benefit Rate <input type="button" value="Create"/>		

3. Complete the following fields

Field / Button

Description

Calculation Method

Select % of E/D group

Percentage

Set the Percentage to 100

Priority

Set the Priority to 2 (Ensure the priority on the actual ER Benefit is set to 1)

Note: If the priorities of 1 and 2 are already used by other scheduled deductions, then update these accordingly.4. Click **Save** and **Commit**.

This Scheduled E/D can now be copied to additional employees in the company as needed.

NOTE: New Earning and Memo Codes released on 3/31/2020

The new Earning and Memo codes were released the evening of 3/31/2020. If setting up E/Ds and Plans was done PRIOR to the release of these codes, we asked that you set up the earning codes using the substitute codes below. Now that the new codes have been released, update the E/D Code Types using the process below and then copy to other clients.

Code Type and Description	Substitution Code Type
E< - FFCRA 511 Daily Max	Code Type EE - Vacation
E> - FFCRA 200 Daily Max	Code Type EE - Vacation
ME - ER Cost of Benefits	Code Type M1 - Memo

1. Go to the [Client - E/Ds - Details](#) tab
2. Right-click in the **Code Type** field and select "Effective Period".

E/D Code*
FFCRA511

Code Type* Description*

EE

Effective Period

Capitalize first letter Ctrl+T

Undo

Cut

Copy

Paste

Delete

Select all

Override W2 Box

Priority to Exclude

Yes No

Show Four Decimals On Checks*
 Yes No

Show Memo on Reports*
 Yes No

Show Hours on Checks\Reports*
Both

3. Update the Code Type on the 1/1/1900 line to the newly released code type appropriate for this code.
4. Click **OK**.

Home » Evolution Classic » The FFCRA and CARES Acts

Begin Effective Date	End Effective Date	Code Type
1/1/1900	12/30/9999	EE Vacation

Begin Effective Date	End Effective Date	Code Type	Create	Delete	OK	Cancel
1/1/1900	12/30/9999	EE				

Select code

Click column header to sort grid by that column.

Category	Description	Code
All Other Earnings	FFCRA 200 Daily Max	E>
All Other Earnings	FFCRA 511 Daily Max	E<
Memo	FFCRA ER Cost of Benefits	ME

OK Cancel

Result: The Code Type is now updated for this E/D

E/D Code*		FFCRA511
Code Type*	Description*	FFCRA 511
Over Time Rate Multiplier	Reduce Hrs for Avg OT*	<input checked="" type="radio"/> Yes <input type="radio"/> No
Override Rate Type*	Prevent Direct Deposit*	<input checked="" type="radio"/> Yes <input type="radio"/> No
Override Rate	Make Up Deducts Shortfall*	<input type="radio"/> Yes <input checked="" type="radio"/> No
Override Rate Number	Show YTD on Check*	<input checked="" type="radio"/> Yes <input type="radio"/> No
	Show E/D on Check*	<input checked="" type="radio"/> Yes <input type="radio"/> No

5. Click the **Browse** tab.
6. Right-click the updated E/D Code > click **Copy To**.
7. Select each client that this code should be copied to > click "Copy".

Result: The code is now updated across all clients.

8. Repeat the steps above for the other two codes.

Payroll Processing

Evolution has been coded to calculate a Daily Maximum amount for each of the E/D Codes (as long as the proper divisor is set up on the TOA Plan). This takes into account employees who are salaried or hourly wage employees.

Hourly Wage Employees

For an hourly wage employee, enter the number of hours that will be paid to their FFCRA Sick or Expanded Leave E/D Code. Evolution will calculate the number of days that this number of hours represents based on the Divisor used on the TOA plan. Evolution will then determine, based on the employees rate of pay, and the code type used, what the total dollar amount should be based on the codes used. Below are some examples of the calculations.

Examples:

1. EE 580 Susan - Hourly

Susan is paid 40 hours at 62.50 under code **E< FFCRRA 511 Max** for the total of 2500. Her pay represents 5 Days based on the divisor of 8 hours per day. Since 500 is less than 511, she is paid her full rate and her check line is not adjusted.

Summary				
E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount
D09	ER Medical			44.38
D08	Pretax Medica...			30.00
D07	Safe Harbor M...			0.00
M191	FFCRA ER Co...			-44.38
E01	Regular Earni...		62.50	
E04	Overtime		62.50	
E195	FFCRA 511Max	40.00	62.50	2,500.00

2. EE 590 Scott - Hourly

Scott is paid 40 hours at 75 under code **E< FFCRRA 511 Max** for the total of 3,000. His pay also represents 5 days based on the divisor of 8 hours a day. Since 600 is greater than 511, his pay should be limited to 2,555 (511 multiplied by 5)

His total earning on the **E< FFCRRA 511 Max** check line will be adjusted so that the maximum earning for the 5 day period is reached at \$2555.

Summary				
E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount
D08	Pretax Medica...			30.00
D07	Safe Harbor M...			0.00
D09	ER Medical			44.38
M191	FFCRA ER Co...			-44.38
E01	Regular Earni...		75.00	
E04	Overtime		75.00	
E195	FFCRA 511Max	40.00	75.00	2,555.00

3. EE 610 Sylvia - Hourly:

She is paid 40 hours at 62.50 under code **E> FFCRA 200Max** for a total of 2500.

Her hourly rate should be multiplied by .67 for a total of 41.88. 41.88 is then multiplied by 40 hours for a total of 1,675.

1675 is greater than the 1000 total, her check line total should be adjusted to 1000.

Summary				
E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount
D08	Pretax Medical In...			30.00
D07	Safe Harbor Match			0.00
D09	ER Medical			44.38
M191	FFCRA ER Cost ...			-44.38
E01	Regular Earnings		62.50	
E04	Overtime		62.50	
E192	FFCRA 200Max	40.00	62.50	1,000.00

4. EE 550 Shawn - Hourly

He is paid 40 hours at 15 under code **E< - FFCRA 200 FMLA** for the total of 600. His pay also represents 5 days based on the divisor.

His hourly rate should be multiplied by .67 for a total of 10.05. 10.05 is then multiplied by 40 hours for a total of 402.

This total then needs to be compared against the daily limit multiplied by the divisor total. $(10.05 * 40 = 402)$ $(5 * 200 = 1000)$

402 is less than the 1000 Maximum total so his check line total remains at 402.00

Summary					
E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount	JOB
D08	Pretax Medical			30.00	
D09	ER Medical			44.38	
M191	FFCRA ER Co...			-44.38	
D07	Safe Harbor M...			0.00	
E02	Regular Eamin...		15.00		
E191	FFCRA 200 D...	40.00	15.00	402.00	
E04	Overtime		15.00		

Salaried Employees

check is pre-processed or processed, Evolution will reduce the Code Type EA - Salary amount to \$0.00 so the employee is not paid for both salary and the FFCRA amount.

1. EE 560 Sarah - salaried

She is \$2500 salary. She is paid 40 hours under code E> - FFCRA 200Max.

First we multiply her salary by .67. (\$1675) to get the amount of 2/3 of her salary. This is the limited salary amount.

The divisor on this TOA plan is set to 8 hours. 40 hours/8 hours=5 "Days."

Next her limited salary amount needs to be divided by the "day" (1675/5=335)

Since 335 greater than 200, her check line is adjusted (5 days multiplied by the daily limit of 200) and she is paid 1,000 under the E> FFCRA 200Max code type check line and the Code Type EA - Salary is set to \$0.

Check Lines Manual Tax General Tax Overrides Preview Employee Notes

Summary Before Pre-Processing

E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount
E02	Salary		0.00	2,500.00
D08	Pretax Medical Insura...			30.00
D07	Safe Harbor Match			0.00
D09	ER Medical			44.38
M191	FFCRA ER Cost of Be...			-44.38
E01	Regular Earnings		0.00	
E192	FFCRA 200Max	40.00	0.00	1,000.00

Check Lines Manual Tax General Tax Overrides Preview Employee Notes

Summary After Pre-processing

E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount
E02	Salary		0.00	0.00
D08	Pretax Medical Insura...			30.00
D07	Safe Harbor Match			0.00
D09	ER Medical			44.38
M191	FFCRA ER Cost of Be...			-44.38
E01	Regular Earnings		0.00	
E192	FFCRA 200Max	40.00	0.00	1,000.00

2. EE 600 Samuel - salaried

First we multiply his salary by .67. (\$402) to get the amount of 2/3 of his salary. This is the limited salary amount.

The Divisor on this TOA plan is set to 8 hours. 40 hours/8 hours=5 "Days."

Next his limited salary amount needs to be divided by the "day" (396/5=80.40)

Since 80.40 is less than 200, his check line is not adjusted and he is paid \$402 under the E> - FFCRA 200 FMLA code type check line and the Code Type EA - Salary is set to \$0.

Check Lines Manual Tax General Tax Overrides Preview Employee Notes

Summary **Before Pre-processing**

E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount	JOB
D08	Pretax Medical			30.00	
D09	ER Medical			44.38	
M191	FFCRA ER Cost of B...			-44.38	
D07	Safe Harbor Match			0.00	
E02	Salary		0.00	600.00	
E01	Regular Earnings		15.00		
E191	FFCRA 200 Daily Max	40.00	15.00	402.00	

Check Lines Manual Tax General Tax Overrides Preview Employee Notes

Summary **After Pre-processing**

E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount	JOB
D08	Pretax Medical			30.00	
D09	ER Medical			44.38	
M191	FFCRA ER Cost of B...			-44.38	
D07	Safe Harbor Match			0.00	
E02	Salary		0.00	0.00	
E01	Regular Earnings		0.00	0.00	
E191	FFCRA 200 Daily Max	40.00	0.00	402.00	

3. EE 570 Steve - salaried

Steve is paid \$3000 salary He is paid 40 hours under code E< FFCRA 511 Max code .

The divisor on this TOA plan is set to 8 hours. 40 hours/8 hours=5 "Days"

Next his salary needs to be divided by the "day" (3000/5=600)

Since 600 is greater than 511, his pay should be limited to 2,555 (511 multiplied by 5 days)

Check Lines Manual Tax General Tax Overrides Preview Employee Notes

Summary Before Pre-Processing

E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount
E02	Salary		0.00	3,000.00
D09	ER Medical			44.38
D08	Pretax Medical Insura...			30.00
D07	Safe Harbor Match			0.00
M191	FFCRA ER Cost of Be...			-44.38
E01	Regular Earnings		0.00	
E195	FFCRA 511Max	40.00	0.00	2,555.00

Check Lines Manual Tax General Tax Overrides Preview Employee Notes

Summary After Pre-processing

E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount
E02	Salary		0.00	0.00
D09	ER Medical			44.38
D08	Pretax Medical Insura...			30.00
D07	Safe Harbor Match			0.00
M191	FFCRA ER Cost of Be...			-44.38
E01	Regular Earnings		0.00	
E195	FFCRA 511Max	40.00	0.00	2,555.00

 **Important:** For salaried employees who earn both salary and FFCRA amounts in the same pay period, a second check must be created.

Because Evolution automatically reduces the Code Type EA - Salary to \$0 on checks using the E< or E> code types, an employee who is paid salary amounts as well as the FFCRA amounts in the same payroll period must have a check generated for the salary amount separately from the FFCRA amount. **Additional Scheduled E/Ds may need to be blocked or adjusted accordingly.**

For salaried employees who are being paid partial portions of their salary, use the **Average Hours** field on the **Employee - Employee - EE Entry** tab to enter the number of hours they would normally work to be paid their salary. Evolution will calculate the hourly rate and divide it by the number of hours entered in that field. When using the FFCRA code in payroll, this rate will be applied to the number of hours used.

ER Cost of Benefit E/D Code

When the FFCRA ER Cost of Benefit code is added as a Scheduled E/D and set to calculate based on 100% of the E/D Group, it will be displayed in the payroll as a negative memo code. This Scheduled E/D should only be assigned to employees who are taking part in the FFCRA Sick or Expanded Leave. It should be deactivated when the employee is no longer on the Sick or Expanded Leave. Using the code reduces the federal tax liability.

Summary				
E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount
E02	Salary		0.00	0.00
D08	Pretax Medical Insura...			30.00
D07	Safe Harbor Match			0.00
D03	ER Medical			44.38
M191	FFCRA ER Cost of Be...			-44.38
E01	Regular Earnings		0.00	
E191	FFCRA 200 FMLA	40.00	0.00	396.00

This code can be displayed on check stubs, or not during the E/D Code setup found in the **Show E/D on Check** field on the [Client - E/Ds - Details](#) tab.

New Federal Tax Liability Types

Two new Federal Tax Liability Types have been added to account for credits that are needed to reduce the federal tax liability as part of the FFCRA:

Federal Tax Liability Type

Description

FFCRA

This is used to capture the tax liability credit for code types **E< - FFCRA 511 Max** and **E> - FFCRA 200 Max**. This will also include the amount from the ER Medicare associated with those earnings.

FFCRA ER

This is used to capture the tax liability credit for code **ME - FFCRA ER cost of Benefits**.

Note: When viewed on the [Company - Taxes - Federal Tax Liabilities](#) screen, these will be displayed as a negative amount to account for the credit being posted.

Tax Liabilities					
Type	Amount	3rd prty	Collected	Check date	ACH key
ER OASDI	765.14	N	N	4/17/2020	06/30/20202
ER Medicare	178.97	N	N	4/17/2020	06/30/20202
Federal	2,182.38	N	N	4/17/2020	06/30/20202
FFCRA	-3,555.00	N	N	4/17/2020	06/30/20202
FFCRA ER	-310.66	N	N	4/17/2020	06/30/20202
EE Medicare	178.97	N	N	4/17/2020	06/30/20202
EE OASDI	765.14	N	N	4/17/2020	06/30/20202
ER FUI	54.01	N	N	4/17/2020	06/30/20202

ACH Tax Impound

Due to the Tax Liability Credits created by code types ME, E< and E>, the amount of the Tax Impound on Full Tax Clients will be reduced UP TO, but not more than the amount of the 941 Liabilities for that company. Funds for FUI, State, SUI and Local taxes will continue to impound as normal.

Example 1:

In Alex's Book Shop, the 4/17/2020 Payroll has the following Liabilities:

Description	Amount
FFCRA Credit	\$3386.54
FFCRA ER Credit	197.73
941 Liabilites	\$5045.76
FUI	115.98
State	908.65
SUI	103.83

Here, the amount of 941 liabilities collected by the FFCRA and FFCRA ER credit amounts are reduced, totaling \$3584.27, making the amount for the 941 liability collected \$1461.49 (5045.76 - 3584.27). The actual tax impound amount would be \$2,589.95 (Remaining 941, FUI, State, and SUI amounts)

Example 2:

On Sara's Bakery Outlet, the 4/17/2020 Payroll has the following liabilities:

Description	Amount
FFCRA Credit	\$10606
FFCRA ER Credit	310.66
941 Liabilites	3321.15
FUI	62.38
State	522.74

In this case, the 941 Liabilities would not be collected because the amount of the credits for FFCRA exceed the amount to be collected. This also would NOT provide a refund through the ACH; it would be applied to the 941. The tax impound amount would be the FUI, State, and SUI totaling \$669.97

Reports

The following reports will be updated in compliance with the new FFCRA credits and liabilities.

Report Number	Report Name
S341	Tax Notices
S1079	Liabilities VS Deposits Report
S247	Tax Report For Payroll
S1082	Cover Letter With Tax Report
S339	Due Date Report
S193	Cover Letter
S2274	Quarterly Liabilities Versus Deposit
S597	Daily Funds Reconciliation Report
S224	List Of Liabilities For Period

S407

New List Of Liabilities For Period

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