

# Year End Wrap-Up

## Year End Checklist



This checklist is provided as a guide to assist you in wrapping up your payroll year.

The "Wrap Up Pay Year" utility contains most of the items on this checklist. Each item is presented in a separate topic.

1. Select the year to close
2. Print the Balancing Reports
  - a. FICA Verification Report
  - b. W2 Preview Summary Report - this is not required, but helpful in finding discrepancies before committing and printing W2s and W3s
3. Close the pay year
4. Back up your database
5. Create pending W2s
6. If necessary, edit pending W2s
7. If necessary, adjust for Third-Party Sick Pay
8. Print the W2 Proofing Reports
  - a. W2 Proofing Report
  - b. Federal Withholding by Quarters Report
  - c. W3 Verification Report
9. Commit and print W2s and W3s

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## Select the Year to Close

1. Click **Utilities**.
2. Click **Year End Utilities**.
3. Click **Wrap up pay year**.
4. Click .
5. Select the year you would like to wrap up.
6. Click .  
At this point, the year is still open.
7. You may proceed with printing the Balancing Reports.

## Print the Balancing Reports

1. Click **Utilities**.
2. Click **Year End Utilities**.
3. Click **Wrap up pay year**.
4. Click the **Balancing Reports** tab.
5. Click **W2 Balancing Reports**.
6. Click the appropriate button, depending on which one you are currently running:
  - o FICA Verification Report
  - o W2 Preview Summary Report
7. Select the print destination and click **Run Report**.
8. Verify/select the Report Options and click **Ok**.
9. Carefully review the report and close it.
10. Provided everything on both reports is correct, you may proceed with closing the pay year.

## Close the Pay Year

1. Click **Utilities**.
2. Click **Year End Utilities**.
3. Click **Wrap up pay year**.
4. Click the **Close/Open Pay Year** tab.
5. Click **Close Pay Year**.
6. Click **Yes** when prompted to continue.  
The button changes to "Re-Open Pay Year".
7. After backing up your database, you may proceed with creating Pending W2s.

## Create Pending W2s

1. Click **Utilities**.
2. Click **Year End Utilities**.
3. Click **Wrap up pay year**.
4. Click the **W2s/W3s** tab.
5. Click **Create Pending W2s**.
6. Provided no common W2 problems are found, you are prompted as such. Click **Ok** to clear the prompt.  
If problems are found, a report generates to your screen. Exit the Wrap Up utility, correct the problems, and return.
7. Click **Ok** when prompted W2s were successfully created.  
At this point, they have been created, and not committed. You may edit where necessary.
8. After any necessary editing, you are ready to print the W2 Proofing Reports.


## Edit Pending W2s

1. Click **Utilities**.
2. Click **Year End Utilities**.
3. Click **Wrap up pay year**.
4. Click the **W2s/W3s** tab.
5. Click **Edit Pending W2s**.
6. Verify or select the **Employer**.
7. Locate the employee and double-click it to open the Edit Employee W2 screen.
8. Make your changes and click **Close**.
9. Click **Close** again to return to the Year End Wrap Up screen.
10. After editing, you are ready to print the W2 Proofing Reports.

## Adjust for Third-Party Sick Pay

Adjusting for third-party sick pay is only necessary if discrepancies were found when reviewing the FICA Verification Report or the W2 Preview Summary Report.




The default setting of the program is to post (non-payroll) journal entries to Equalizer GL as they are created. This setting may be disabled in Program Setup (see page 116).

1. Click **Tasks**.
2. Click **Add Third-Party Sick Pay**.
3. Select the **Employee**.
4. Enter the **Payment Date**.
5. Enter the **Third-Party Payer**.
6. Enter the **Payment Amount**.
7. **SITW State** reflects the state selected in Program Setup (see page 255) and can be changed here.
8. All **Applicable Taxes** are checked by default and can be unchecked - .  
Unchecked Applicable Taxes are disabled in the Withholdings pane.
9. Enter the **Withholding Amounts**.  
When entering amounts for Social Security and Medicare, you are prompted to copy that amount to the matching expense; answer accordingly.
10. Click the **Employer Payment Info** tab.
11. Select the **Bank**.
12. Verify or enter the **Social Security** and **Medicare** expense amounts.
13. If necessary, add additional expense lines:
  - i. Double-click the orange (or grey) bar that says "<double-click or begin typing...".
  - ii. Select the **Expense ID**.
  - iii. Enter the **Amount**.
  - iv. Verify or enter the **Distribution Type** and **Distribution**.
14. Click **Create Entry**.
15.  **Proof Run** is the default selection and should always be done before actually creating the journal entries.
16. Click **Run**.
17. Click **Report Options** and set your options; click **Close** to return to the reports dialog.
18. Select the print destination and click **Ok**.
19. Carefully review the report and close it.
20. Provided everything is correct, click **Yes** when prompted to create the journals and generate the actual report.
21. Answer accordingly when prompted that the journal entries were successfully posted and asked to print a report.

## Print the W2 Proofing Reports

1. Click **Utilities**.
2. Click **Year End Utilities**.
3. Click **Wrap up pay year**.
4. Click the **W2s/W3s** tab.
5. Click **W2 Proofing Reports**.
6. Verify or select the **Employer**.
7. Click the appropriate button, depending on which one you are currently running:
  - o W2 Proofing Report
  - o Federal Withholding by Quarters Report
  - o W3 Verification Report
8. Select the print destination and click **Run Report**.
9. Carefully review the report and close it.
  - o If any discrepancies are found, make the changes to the W2s (see page 331), and if necessary, add third-party sick pay (see page 332).
10. Provided everything on all three reports is correct, you may proceed with committing and printing W2s and W3s.

## Commit and Print W2s/W3s

1. Click **Utilities**.
2. Click **Year End Utilities**.
3. Click **Wrap up pay year**.
4. Click the **W2s/W3s** tab.
5. Click **Commit and Print W2s/W3s**.
6. Verify or select the **Employer**.
7. Print the W2s:
  - i. Select the **W2 Format**.
  - ii. Click .
  - iii. Select "Printer" as the destination and click **Run**.
  - iv. Verify/select the Report Options and click **Ok**.
8. Export the W2s:
  - i. Browse for the location and enter the name of the file being created.
  - ii. Enter your **EFW2 PIN**.
  - iii. (Optional) Click the **Download AccuWage** command to verify your file before sending.
  - iv. Click .
  - v. Click **Ok** when prompted the file was exported successfully.
9. Print W3s:
  - i. Select the **W3 Format**.
  - ii. Click .
  - iii. Select "Printer" as the destination and click **Run**.
10. Answer accordingly when prompted to verify that the W2s and W3s printed correctly.  
If they didn't, you will need to re-do the "commit and print" step.
11. Click **Close** to exit the Year-End Wrap Up screen.