

PayMaster™ 7.24 is Y2K compliant. And, here's information about checking your computer's operating system and hardware too.

What is Y2K and why is everyone so concerned about it?

In just nine months, the world is going to be living in a year beginning with 20 instead of 19 – the year 2000, abbreviated as Y2K. The world, meaning humans, that is. Many computers, on the other hand, have been permanently told that the year always begins with 19. So, when **you** think it's 1/1/2000, **your computers** may think it's 1/1/1900 or 1/1/1980, the earliest date some computers recognize.

Government agencies, private companies, trade associations, non-profit organizations – all have been working for many months (in some cases many years) to assure that the part of their world their computers handle will smoothly transition to the year 2000.

Computer Aid® has been doing its part and we're pleased to announce

What's inside

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that version 7.24 of *PayMaster* is Y2K compliant. It will be shipped automatically to users on Auto-Update by September. If you don't subscribe to our annual AutoUpdate service, please call us to get pricing information.

What does Y2K compliant mean in *PayMaster*?

1. Your checks and reports will correctly print the date.
2. When you indicate a date range that spans the century (pay period dates, new hire report dates, check history report dates, etc.), *PayMaster* will correctly interpret the date range.

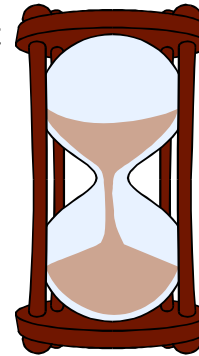
Angela Smith of White Columns Inn, spotlighted in this issue on page 7, says "I'm not worried about *PayMaster* in the year 2000. It doesn't surprise me that Computer Aid is checking into it already, because they are so good about keeping on top of things and making it easy for users. As long as they stay on top of it, I'll be safe."

If all you do on your computer is payroll, is the fact that *PayMaster* is Y2K compliant enough?

No. You also need to check that your computer (PC clock and

BIOS), operating system (DOS, Windows, etc.), and other software programs are compliant.

Most PCs get the date from the operating system, which gets it from the BIOS, which gets it from the Real-time clock (RTC).



BIOS stands for Basic Input/Output System and it's the software stored on the ROM chip inside your computer that starts your computer up when you turn it on.

The RTC is the one that's battery-operated

so it works even when your computer is turned off. The RTC maintains the date and time in 7 registers: seconds, minutes, hours, days, months, years and century. The first six are automatically

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Reminders!

- Process **end of month/quarter** at the end of each quarter, so your new quarter figures will be accurate.
- Send in those New Hire reports to your state on a timely basis to avoid penalties.

Y2K continued from page 1

updated. The seventh – the century register – reads 19, and will not automatically update to 20. That's where the problem comes in. The RTC leaves it up to the BIOS to change the century.

If there's a problem, it's generally with the BIOS which may not understand the transition from 1999 to 2000.

How do you test your computer?

Can you just change the computer's date to 2000 to see if it takes it? Can you just look up your BIOS on a list somewhere? Unfortunately, the answer to both questions is "no."

Changing the computer's date to 2000 will not test your computer's ability to **roll over** to the year 2000 or to hold that date.

The BIOS manufacturers (Award and Phoenix, which merged in September, and AMI/American Megatrends) sell their code to motherboard manufacturers who may alter it, so they cannot say if your BIOS is compliant. They refer you to the computer's manufacturer. **And, all recommend doing a test.**

Windows Magazine's January 1999 article "Tick, Tick, Tick... Are You Ready for 2000?" tells you five steps to take to test the basic operating system and the BIOS. Check your local library for the magazine, or visit their Web site at www.winmag.com. Click on "Y2K Watch" to find Y2K information, including this article.

Even easier is downloading a free test software program. Symantec (www.symantec.com/sabu/n2000r/index.html) offers Norton 2000's BIOS test and fix, which has you make a BIOS test diskette from which to boot.

With Windows 95 or 98, you can use the McAfee 2000 Toolbox checker from Ziff Davis's Virtual Labs Web site, www.zdnet.com/vlabs. Select "Test your PC's Y2K compliance."

Or check out the Web site for your BIOS manufacturer.

Award/Phoenix, www.phoenix.com/support, refers you to several web sites for tests to check if their BIOS is Y2K compliant. One is the National Software Testing Laboratories at www.nstl.com.

At AMI's site, www.amibios.com, click "Visit the AMI Y2K Resource Center", to download the free Y2K diagnostic utility AMI2000.com for AMI BIOS chips.

Whichever test you use, most of them tell you three things:

1. **Back up your system first.**
 2. **Don't run any other software while doing the test or before setting the date back to the current date**, especially time-sensitive software, such as scheduling software, or software that might have a timed license. (Don't start testing software: if a program has date-specific information in a configuration file, running the program, and then setting the date back in time could cause a problem.)
 3. **Boot from a floppy disk**, not your hard drive. and **run the test from DOS**, not from Windows.
- If you have a Pentium, can you assume it's Y2K compliant?**

According to many sources, the majority of Pentium computers have compliant BIOS chips. **However**, there have been BIOSs produced as late as 1998 that were **non-Y2K** compliant. Do not assume your Pentium is compliant without

running a test or seeking verification on that specific model from its manufacturer.

If your PC BIOS fails the test, what do you do?

Check with your hardware manufacturer to see what your options are. In some cases, manually resetting the date may be sufficient. In other cases, you may need a BIOS update or replacement.

Ziff Davis, the publisher of *PC Magazine*, has steps for "Testing for Year 2000 Compliance" and "Correcting the Year 2000 Problem (for most machines)" on their Web site: www.zdnet.com/pcmag/special/y2k/features/main. (then [test.html](#) or [correct.html](#)).

- OK, you've got your hardware tested. Next, check your operating system and other software.**

Go to Microsoft at www.microsoft.com/technet/year2k and select Product Guide, then your version of DOS and/or Windows to find out if you need to update your operating system. To find out which version of Windows 95 or 98 you have, right click My Computer and select

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Properties. You'll find the version number on the General tab. For DOS version numbers, go to the DOS prompt and enter VER.

Next, check your applications at the software vendor's site to find out if you need to upgrade. Please see page 8 and below for information on time clocks and accounting software from Computer Aid.

And check your data. If you have spreadsheets or databases which perform calculations on dates using two digits instead of four, you may have to make a few changes to those data files.

You can purchase software such as Norton 2000 Retail Edition that can scan inside the most popular spreadsheet and database applications to find non-compliant

formulas and numeric data that could cause problems with your calculations.

Rest assured, once you know your hardware and operating system are compliant, you don't have to worry about *PayMaster 7.24*. We've tested everything for you, so you can feel confident your first payroll of the year 2000 will run smoothly.



Time clocks and accounting software, continued from page 8

| TimeCentre software for PayMaster Plus time clocks and PC time clocks. | |
|--|--|
| Who needs a hardware upgrade? | No one. A software upgrade, if needed, takes care of everything. |
| Who needs a software upgrade? | Users on TimeCentre version 3.0 and earlier. (3.1 or higher is already Y2K compliant.) |
| How do I get the software upgrade? | If you have version 3.0 and Internet access, you can download the free 3.1 update software from TimeCentre's web site: www.konetix.com . Follow the links for Y2K and "Download updates for TimeCentre version 3.0." After downloading, run the file and it will install version 3.1 effortlessly. If you have an earlier version, or don't have Internet access, please complete the form on page 4 and fax or mail it to us. For the upgrade from 3.0 to 3.1, we'll send you what's needed on diskette (cost is \$24.95 including shipping). If you have a version earlier than 3.0 and/or if you'd like to upgrade to version 4, we'll send you a work order with prices. |
| How much is the upgrade to version 4.0? | To upgrade to TC4 standard without scheduling for <75 employees is \$247.50; <150 employees \$497.50; <300 employees \$747.50. To upgrade to TC4 schedule for <75 employees is \$97.50; <1200 employees is \$497.50. TC4 Multi-company (2-5) upgrade is \$247.50. TC4 Differential upgrade is \$147.50. (Add shipping to these prices.) If you purchase 4.0 now, you can upgrade to 4.1 free (features strong scheduling). |

| Time America time clocks | |
|--|---|
| Who needs a hardware upgrade? | Almost everyone. (Clocks shipped after Feb 1998 are probably compliant, but send in the form to double check. You don't want to find out on 1/1/2000 that it's not.) |
| How can I tell the version number of my clocks's E-prom? | Unplug the clock from the wall and plug it back in. It will show the E-prom version # on the clock display. (You will not lose any information when you unplug the clock.) |
| When will it be available? | It's available now, as is the software for DOS. |
| How much will it cost? | \$50 per clock which includes the E-prom chip and installation. To the \$50, add shipping and shipping insurance, which will depend on your choice of shipping. |
| How do I get it? | You must send your clock to Computer Aid, and we will install the new E-prom chip (this is not something you can do yourself). Please see the information below on turnaround time and scheduling a rental clock. If you have multiple clocks, you can send them one at a time. |

| | |
|---|--|
| How do I arrange a rental clock, and how much does it cost? | Turnaround time is two weeks maximum.. If you have only one clock, you can rent a clock from us (\$75 plus 2-day shipping and insurance both ways for the two-week period). Since we have two clocks available for rental, each must be scheduled in advance, and must be returned on time so it can be shipped to the next renter. Call us about scheduling – your best option is to finish a pay period (although it doesn't have to be at the end of a pay period, poll the punches (critical step!), take down your current clock and install the rental clock, sending the employee information from your computer to the rental clock, at which point it is available for new punches. Send your clock to us (use the box and packing materials from the rental clock). Upon the return of your own clock with the new E-prom chip, poll the punches from the rental clock, take it down (to return immediately to us in that same box and packing materials), install your own clock, and send the employee information from your computer to that clock. Both rental clocks will handle magnetic stripe or bar code employee cards. |
| Who needs a software upgrade? | Any version earlier than TA200 version 4.6 (distributed after Feb 1998) requires a software upgrade. You'll have the choice of upgrading to a DOS version or TA200 for Windows (available in May). When you send us the form below, we'll include pricing for both the DOS and Windows versions, so you can choose. Windows version runs on Windows 95, 98 or NT and requires 16 MB, 133 Pentium or better. Disk space depends on number of employees. |
| How can I get the software upgrade? | Complete the form below and we'll send you a work order with the prices. |

Please complete the appropriate parts of this form and fax or mail it to: Computer Aid, PO Box 1074, Vienna, VA 22183. Fax 703-281-3461. We will then fax or mail you a work order for your approval.

| CharterHouse and Levinson Lyon accounting software | | |
|---|---|-----------|
| Module | Serial Number on original diskette (CharterHouse only) | Version # |
| Master Menu | | |
| General Ledger | | |
| Accounts Payable | | |
| Accounts Receivable | | |
| Time clocks (hardware and software) | | |
| Type of time clock | Circle one: TimeCentre Time America | |
| Time clock serial number (from back of clock) | S/N: | |
| Time clock model number (from back of clock) | Circle one: ZON 530 ZON 531 | |
| E-prom Version number | Required for Time America clocks only E-prom Version #: | |
| Software serial number | S/N: | |
| Software version number | Version: | |
| If TimeCentre software | Circle the one for which you'd like a work order: TimeCentre 3.1 TimeCentre 4.0 | |
| Name: | | |
| Company: | | |
| Street Address: | | |
| City, State, Zip: | | |
| Telephone: | | Fax: |

Tax law changes

Effective dates, if known, are noted.

Federal

■ EFTPS

IRS will continue to waive the 10% failure to deposit electronically penalty through July 1, 1999.

■ Court strikes down IRS tip allocation 9-18-98.

A federal district court has decided *Fior D'Italia, Inc. v. U.S.* Their decision – that Congress intended the employer's share of FICA taxes to be based on the individual assessment of each employee's wages rather than on the aggregation of unidentified employees' unreported tips.

Note: The Federal Circuit Court of Appeals came to the opposite conclusion in *Bubble Rm v. U.S.*

■ EIC

To receive Advance EIC, an employee must file a 1999 Form W-5. Adjusted gross income with a qualifying child is expected to be less than \$26,928.

■ Penalty Notice FTD payment

Starting on all deposits made after 1/18/99, employers may designate a specific deposit period for all FTD deposits in response to an IRS Penalty Notice. This will help you avoid "cascading" penalties.

■ Required tip-outs

In the *Kilgore v. Outback Steakhouse of Fl, Inc.* case, the Sixth Circuit Court of Appeals has decided that employer-required tip-outs are OK. Outback requires that servers tip out 3% of gross sales including food, alcohol, take-out food, gift certificates, t-shirts and steak knives.

In *PayMaster*, check your tax tables (INIT/TAX/UNEMP and SDI) against the wage bases shown below and against the amounts shown on your quarterly forms.

| 1999 Unemployment Taxable Wage Bases (as of 3/10/99) | | | | | |
|--|------------------------|------|------------------------|-------|-------------|
| AL | 8,000 | LA | 7,000 | OK + | 12,000 |
| AK + | 24,500 | ME | 7,000 | OR + | 23,000 |
| AZ | 7,000 | MD | 8,500 | PA | 8,000 |
| AR | 9,000 | MA | 10,800 | PR | 7,000 |
| CA | 7,000 | MI | 9,500 | RI - | 14,000 |
| CO | 10,000 | MN+ | 18,100 | SC | 7,000 |
| CT + | 15,000 | MS | 7,000 | SD | 7,000 |
| DE | 8,500 | MO - | 8,000 | TN | 7,000 |
| DC | 9,000 | MT + | 17,100 | TX | 9,000 |
| FL | 7,000 | NE | 7,000 | UT + | 19,400 |
| GA | 8,500 | NV + | 18,600 | VT | 8,000 |
| HI + | 27,000 | NH | 8,000 | VA | 8,000 |
| ID + | 23,600 | NJ + | 20,200 | VI | unavailable |
| IL | 9,000 | NM - | 14,200 | WA + | 24,300 |
| IN | 7,000 | NY + | 8,500 | WV | 8,000 |
| IA + | 16,500 | NC + | 13,200 | WI | 10,500 |
| KS | 8,000 | ND + | 15,600 | WY + | 13,100 |
| KY | 8,000 | OH | 9,000 | Fed | 7,000 |
| 1999 State Disability Wage Bases as of(3/10/99) | | | | | |
| CA | 31,767 | NY | Employee's weekly wage | | |
| HI | Employee's weekly wage | | PR | 9,000 | |
| NJ + | 20,200 | RI + | 38,600 | | |
| - decrease | | | + increase | | |

State minimum wage

CT Minimum wage increases from \$5.18 to \$5.65/hour eff 1/1/99.

OR Increase from \$6.00 to \$6.50 1/1/99.

State unemployment

Please see the table above.

NY New tax form – NYS 45 Quarterly Combined for unemployment, income tax w/h and wage reporting information. (to file 4/30/99).

State disability insurance

Please see the table above.

State workers comp

OR Workers comp assessment rate for 1999 is 4.2 cents.

State withholding

New tables for:

| | | | |
|----|----|----|----|
| AR | HI | KY | MN |
| CO | ID | MD | OK |
| DE | KS | ME | |

IL Standard Deduction increased to \$1650. Individual over 65 or blind exemption stays \$1000.

MD Note separate formula for state and local.

MT Old Fund Liability Tax terminates 1/1/99.



Q&A

Q. We are a Next Day FTD filer with multiple divisions and have to be accurate in the amount we deposit. Since we have a lot of void and select checks, what's the best way to do this?

A. Assuming this is your first payroll of the quarter, follow these steps:

1. After the first payroll of the quarter, print a QTD 941 worksheet and a payroll summary for the entire company. Make your FTD based on the "Net Taxes" on the QTD 941 worksheet. Make your state and local deposits based on the state/local tax reconciliations or your state deposits based on the payroll summary (each state has a "Totals" page showing wages and taxes withheld).

2. When you next process any checks (void check, select check, or a regular payroll), print a QTD 941 worksheet. Your FTD deposit will be the difference between this worksheet and the previous worksheet.

Double check at any time by printing a QTD 941 worksheet and comparing the "Net Tax" to your actual total FTD deposits for the quarter to date.

Q. I have a new computer! How do I move my *PayMaster* program and data from my old computer?

A. Two steps – use PKZIP to copy the program and the data to diskettes. Then use PKUNZIP to put them on the new computer.

1. To copy the program:
On the old computer, at the DOS

prompt in the *PayMaster* program directory (probably PRV7), enter the text in bold:

```
C:\prv7>pkzip -& a:paymprog
```

The "-&" tells PKZIP to use multiple diskettes if necessary.

Also, copy the PKUNZIP.EXE file to this diskette.

2. On the new computer, create a directory with the same name as the directory on the old computer (e.g. PRV7), copy PKUNZIP.EXE to this directory. Go to the DOS prompt in this directory and enter the text in bold:

```
C:\prv7>pkunzip a:paymprog
```

3. For each company's data on the old company, print a payroll summary, and back up the data as you normally do in *PayMaster* (which uses PKZIP to create a file named *paydata*).

4. On the new computer, create the directory for each company.

5. Go to that company's data directory on the new computer, and enter the bold text:

Our example uses *flora* as the name of the data directory under a *paydata* directory.

```
C:\paydata\flora>c:\prv7\pkunzip a:paydata (there is a space between "pkunzip" and "a:paydata".)
```

6. Go into *PayMaster* for each company, print a payroll summary, and verify that it matches the one printed at step 3.

That's all there is to it *unless* the data on your old computer is on a drive other than C: and your new computer only has a drive C:.

With a program such as Partition Magic, you can partition your new hard drive. Or send us (via e-mail or on a diskette) your *pypath.dat* file from the *PayMaster* program directory, along with a printed list of each company ID code and the new drive letter for each code's path. We'll change the data path(s) and send the *pypath.dat* file back to you.

Q. My Schedule B total does not match my 941 QTD worksheet amount. Why?

A. If you process void and/or select checks, you're asked, when you process the next payroll, if you want to include the void and/or select checks.

If you respond *yes*, those checks are part of that payroll's totals, including the total FTD deposit, and are automatically included in the Schedule B amount.

If you respond *no*, then you must manually enter the FTD amount on the Schedule B. (At the end of the month, you may not want void and/or select checks as part of the next payroll's report; and you definitely don't want them when it's a new quarter.) From *PayMaster*'s main menu, select Reports/941/Daily Tax Liability/Current Quarter, and select the appropriate month. Adjust the amount on the appropriate day and the total will recalculate.

And, if you process more than one payroll for the **same** division on the **same** day, you only have the first entry. Manually adjust the Schedule B amount for the additional payroll(s).



Throughout THE BLUE PAGES, there are references to payroll tax laws and requirements in effect as of the date specified. These references to the laws and the explanations provided are designed to familiarize the employer with said laws, but are not meant to serve either as a legal or accounting opinion, or as any indication that reference to the Internal Revenue Code or Regulations issued thereunder and appropriate administrative or court rulings interpreting same is unnecessary. All persons using this newsletter should look to and rely upon their respective legal counsel and accountants with respect to these laws and requirements.

User spotlight

“The auditors always ask what payroll program we use because everything is right there at their fingertips...they’re in and out of here so quick.” Angela Keip Smith
Office Manager, White Columns Inn
and Plantation House Restaurant

You know you’re in the south when you enter the Best Western White Columns Inn of Thomson, GA, not just from the rocking chairs and, of course, the white columns, but also from the wondrous fresh flowers, the original oil paintings of local historical homes, and especially the gracious southern hospitality shown by husband and wife owners James E. Wilson, Jr. and Ruth.

White Columns Inn’s Plantation House Restaurant is known for southern hospitality and good cooking, especially its Prime Rib and Fresh Fried Shrimp.

The family business, begun in 1951, isn’t just the White Columns Inn. The four buildings comprising the Inn were all built by Wilson Homes, run by one of their four sons, Jim. Son Gordon and his wife Debi manage the restaurant operations and son Epp manages the motel portion of the business.

Helping to keep everything running is Angela Smith, whose title is “Office Manager, Payroll Clerk, Insurance Clerk, I Do It All.” One of Angela’s major responsibilities is payroll for the White Columns Inn and its Plantation House Restaurant. She also does payroll for the other family businesses: Wilson Homes, Pinetop Farm co-managed by son Glenn and his wife Janet, Foxboro Farm run by Epp’s wife Sharon, Pinehurst Interiors operated by Jim’s wife Sue, and Belle Meade Hunt, a well-known fox hunt, where

James Wilson is Master of Fox Hounds and Epp is Joint Master.

Everyone in the family uses computers now, but in 1984 when Angela was first hired, Glenn was the only one familiar with computers. Angela says “Glenn doesn’t remember how he found out about *PayMaster*, but I think it was good luck and fortune on our part.”

Left to right: Front (in chairs): Mr. James E. Wilson, Jr./ Angela Smith. Back: Carol Hendrick (front desk supervisor) / Epp Wilson / Gordon Wilson / Glenn Wilson / Jim Wilson. “We just love to have company!”

“The restaurant opened in February 1985 and I did manual payroll for the hourly employees. That was a ‘real pull your hair out sort of thing’, having to manually figure out tips ‘deemed to be wages’. They started talking about going on computer, and how much easier it would be to do tips. I had never used a computer before, but I was all for it if it would make it easier.”

“We first went on the computer with payroll in the middle of 1985. After we mailed the W-2s we got a notice that they didn’t balance to the quarterly reports, probably because of something in the manual payroll records from the first part of the year. I learned real quick how important it is to balance the four quarters and end of year before sending in the W-2s, and haven’t had a problem since.”

“From the first time I worked on *PayMaster*, I thought it was wonderful. I was amazed at how the computer would calculate and print the checks out. I used to have to type them! It’s wonderful to sit there with the computer light blinking, and just printing those checks out. It’s a piece of cake! And the quarterly reports and W-2s are so easy to do — the reports give me all the information I need.”

“I’m the lucky one who gets to meet with the auditors. They always ask what payroll program we use because everything they need is right there at their fingertips. They’re happy because they don’t have to sit there and add up figures. We’re happy because they’re in and out of here so quick — nobody wants an auditor to hang around any longer than they have to.”

“*PayMaster* is so easy to use, always accurate, and there’s wonderful telephone support.

Over the years, it’s been made even easier, especially processing end of year. I believe we’ve got the best payroll program around.”

Since payroll is processed every week, Angela has shown Gordon and Epp how to do it for the restaurant and motel so she can occasionally take a vacation. They say “it’s very user friendly. Just give us some notes and a 20-minute refresher course before you leave for vacation and we can do it.”

Angela says, “I’m not worried about *PayMaster* in the year 2000. It doesn’t surprise me that Computer Aid is checking into it already, because they are so good about keeping on top of things and making it easy for users. As long as they stay on top of it, I’ll be safe.”



Y2K for time clock software & hardware and for accounting software

Yes, your time clock and accounting software must be considered when you're ensuring everything is Y2K compliant. Now is the time to take care of these. Don't wait until December when you're under tight deadlines.

Read on to find out how to make your TimeCentre software for the PayMaster Plus and PC time clocks Y2K compliant, how to upgrade your Time America hardware and software, and how to upgrade your CharterHouse and Levinson Lyon accounting software.

| CharterHouse and Levinson Lyon accounting software | |
|--|---|
| Who needs an upgrade? | Everyone. |
| When will it be available? | It's available now. |
| How much will it cost? | For Computer Aid customers, the price for standard programs is \$99 (plus shipping) per module. If you have a custom program, please call us for prices 1-800-327-4AID. |
| Will my data need to be converted? | Yes, all data must be converted. If you have annual telephone support with Computer Aid, your support includes help converting your data over the phone. |
| How can I get it? | Complete the form on page 4 and fax or mail it to us. We'll send you a work order for approval. |

Time clock information and fax form continued on page 3

*PayMaster 7.24 is Y2K compliant
 Upgrade accounting software and
 time clocks for Y2K also!*