

Payroll Services Recommended for Clients of All Sizes

Your clients might be tempted to try to save money by processing their payroll in-house. But, because of significant risk, Practiceminders encourages you to recommend that your clients outsource their payroll to a payroll service. If clients process payroll themselves, they must be responsible for:

1. Fixing their own problems.
2. Fees and penalties if they file late or make mistakes.
3. Calculating local taxes.
4. Creating and printing reports.
5. Purchasing regular updates of the tax tables.

The bottom line is that using a payroll service is usually less expensive in the long run for a small organization. A payroll service:

1. Provides telephone access to a local payroll representative who can fix problems.
2. Guarantees on-time filing of payroll tax returns, which indemnifies you from late fees and penalties.
3. Provides complete reports in a form that can be easily entered into your bookkeeping system.
4. Ensures compliance with changing tax rules and government regulations.
5. Provides other convenient services like direct deposit, 1099 preparation, pay-as-you-go worker's compensation insurance, HR services, benefits administration and time tracking systems.

Even if your clients have only one or two employees, they should probably use a payroll service. Suggest they ask themselves, "is it worth my time to learn all the things I need to know about payroll taxes just to run a 2 person payroll?"

Financial Record Security

You might think that your small organization is not a target for malicious hackers. But, a survey by the Small Business Technology Institute reported that more than half of all small businesses in the U.S. experienced a security breach in the past year. Here are the steps you should take to provide basic security for your financial records.

1. **Protect Your Systems**—Equip all PCs and servers with a) an un-interruptible power supply to prevent corruption of data, b) virus detection software, adware/spyware detection and removal tools, and c) a firewall on all computers that connect to the Internet.
2. **Create Backups**—Make regular backup copies of all your important data. Store a copy away from your office.
3. **Use Effective Passwords**—Encourage non-obvious passwords and change them every three months. Use password protection for folders and files containing accounting information.
4. **Keep Software Up To Date**—Without updates, your anti-virus, anti-spyware and firewall software will not protect you against new cyber threats.
5. **Lock Your Records**—Lock file cabinets and access to computers that contain financial information. Block all unauthorized access to the QuickBooks data file.
6. **Be Prepared For Emergencies**—Create a contingency plan for your organization so you can recover if you experience an emergency. Test your plan annually.
7. **Use A Payroll Service**—Use a payroll service and keep employee names and detailed payroll information separate from the accounting system.
8. **Audit Trail**—Make sure that your accounting software's audit trail is turned on, allowing unauthorized changes in data to be investigated.
9. **Computer Checks**—Generate bill payment checks directly from the accounting system to reduce the risk of check alteration and duplicate bill payment.
10. **Educate Your Staff About Security**—Develop a "culture of security" in your employees and in your business. You might think that your small organization is not a target for malicious hackers.

QuickBooks Quick-Tips

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| Alt + S OR Ctrl + Enter | Record transaction (Save & New) |
| Alt + A | Record transaction (Save & Close) |
| Ctrl + A | Chart of Accounts |
| Alt + O-V | Vendor list |
| Ctrl + J | Customer/Job list |
| Ctrl + E | Edit (Edit data) |
| Ctrl + F | Find transaction |
| Ctrl + M | Memorize transaction |
| Ctrl + R | Use register |
| Ctrl + W | Write checks |
| Ctrl + Y | Show Journal (DRs & CRs) |
| Ctrl + N | New transaction |

