

WARNING - THIS IS A LONG SUPPORT ARTICLE. READ IT CAREFULLY AND FOLLOW THE INSTRUCTIONS. Hourly support rates will apply if you require one-on-one assistance for setup or troubleshooting.

How to use this support document:

1. Read the introduction to become familiar with why the "Audit Friendly" version of the A-1-131 form was created and how it will help you with your uploads to LCPtracker and the DIR.
2. Then go to the [Contents](#) section and determine how you pay your fringes.
3. Follow the setup instructions for the method that best suits your company.

Introduction:

The "Audit Friendly" version of the standard California A-1-131 Certified Payroll Report was originally developed by a Labor Compliance Company called "CalLCP" (short for California Labor Compliance Specialists, Inc.).

The purpose of the Audit Friendly Report is to show BOTH.

- The total fringe benefits contributed for each employee for the work week (just like the standard DIR form), PLUS
- The Hourly Fringe Benefit Rates and total contributions for each employee just for EACH SPECIFIC job.

NOTE: LCPtracker and even the DIR's manual entry have both adopted this method of showing both total contributions for the week, and hourly contributions and totals for each employee.

This is why setting up the Audit Friendly report in CPS is crucial.

If you're using the standard A-1-131 form showing just total contributions for each employee for the week, it's extremely difficult for Auditors & Labor Compliance Agencies (like LCPtracker and DIR) to determine if you're paying the correct fringe rate on a specific job.

This is because the standard DIR form shows the TOTAL contributions for the week - when that total contribution could be made up of fringe benefit rates that could very well change by job. When this happens, the amount reported is the TOTAL contributions for the week for all fringe rates.

For example, the same employee works 20 hours on 2 different jobs (for a total of 40 hours) with 2 different work classifications, hourly rates of pay, and fringe benefits as shown below:

Work Classification	Base Rate	ST	OT Rate	H&W	Pension	Vac/Hol	Training	Other	Total Fringe	Total ST	Total OT
Operating Engineer Group 2 - Heavy & Highway	65.19	97.785	13.38	10.78	5.96	1.21	1.6		32.93	98.12	130.715
Operating Engineer Group 2 - Landscape Construction	45.73	68.595	13.38	10.35	4.53	1.25	1.43		30.94	76.67	99.535

The standard DIR form will correctly display the hours worked on each job, hourly rate of pay, gross amount earned this project, and all projects. All of this is correct.

Here's what the report would look like for Job 1 with an hourly rate of \$65.19.

And here's what the report would look like for Job 2 with an hourly rate of \$45.73.

- Vacation/Holiday for a total of \$209.80
- Health /Wel for a total of \$535.20
- Pension for a total of \$422.60
- Training for a total of \$49.20
- And Fund Admin (Other) for a total of \$60.60

- The total for Vac/Holiday (\$209.80) would be DIVIDED by 40 hours which would give you an hourly rate of \$5.245 - which is incorrect, because:
 - The vacation fringe for Operating Engineer Group 2 - Heavy & Highway is \$5.96 per hour, and
 - The vacation fringe for Operating Engineer Group 2 - Landscape Construction is \$4.53 per hour
- The other totals would be divided by 40 hours as well, also making the hourly fringe rates incorrect as well.

Selecting, using, printing the Audit Friendly form

There are two ways to select the Audit Friendly form.

Method 1: If you're a new user, we suggest that you set it as the "Default" form to use for all jobs. To do this:

- From the System Setup menu → Defaults → Job → Standard tab
- Once here, click the Form to Use drop-down menu and select the "Audit Friendly A-1-131 Form" as shown below. (You can change this on a job-by-job basis for new jobs)

The screenshot shows the 'Job Defaults' window with the 'Standard' tab selected. The 'Form to Use' dropdown menu is open, displaying a list of forms. The 'Audit Friendly A-1-131 Form' is highlighted in blue. A red box is drawn around the 'Form to Use' label, and a blue arrow points to the selected form. Other forms in the list include 'CA dIR A-1-131 Form', 'WH-347 Federal Form', 'CA DOT Form', 'Legal Size CA dIR A-1-131 Form', 'City of San Jose Form', 'City of Los Angeles Form (Legal Size)', and 'DOT CEM-2505 Owner Operators'. The 'Electronic Upload Type' is set to 'None'. Other options like 'Non-reporting Job', 'Use Department of Defense Statement of Compliance', 'Use Notarized Federal Statement of Compliance', 'Use California dIR Statement of Compliance (short form)', 'Primary Contractor', 'Awarding Authority', 'Contractor License', 'Specialty License', 'Location', 'County', 'Print Daily Time Report for this Job', 'Print Employee List for this Job', and 'Print Authorized Deduction Report for this Job' are also visible.

NOTE: While in Job Defaults you can also select your default electronic upload type, which can be changed later a job-by-job basis - either as you're linking new jobs or by going to the Linked Data menu → and choosing Job, and then editing specific jobs.

The screenshot shows the 'Job Defaults' window with the 'Standard' tab selected. The 'Electronic Upload Type' dropdown menu is open, displaying a list of upload types. The 'LCP Tracker and CA eCPR XML file' is highlighted in blue. A red box is drawn around the 'Electronic Upload Type' label, and a blue arrow points to the selected upload type. Other upload types in the list include 'Sandia Laboratory XML Export file', 'eComply XML (Tell them Sunburst)', 'Texas DOT Export file', 'NY DOT EBO Export file', 'Maryland DLLR Export file', 'California eCPR XML file', 'Prism Compliance Management Export Spreadsheet', and 'Form 33-731-7-Addresses tab'. The 'Form to Use' dropdown is also visible, showing the 'Audit Friendly A-1-131 Form' selected. Other options like 'Non-reporting Job', 'Use Department of Defense Statement of Compliance', 'Use Notarized Federal Statement of Compliance', 'Use California dIR Statement of Compliance (short form)', 'Primary Contractor', 'Awarding Authority', 'Contractor License', 'Specialty License', 'Location', 'County', 'Print Daily Time Report for this Job', 'Print Employee List for this Job', and 'Print Authorized Deduction Report for this Job' are also visible.

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

Method 2: If you've been using CPS for any length of time and USUALLY print the Federal WH-347 Form - you may want to select the "Audit Friendly" form on a job-by-job basis. To do this:

- From Linked Data → Jobs → find the job in the list on the left → click to highlight it → click the Edit button → Form Options tab
- In the Form to Use section, use the drop-down menu to select the Audit Friendly A-1-131 Form
- In the Electronic Upload Type section, use the drop-down menu and scroll down through the list of available electronic upload types to select your electronic upload type(s) (LCPTracker Export File, California eCPR XML file, Prism Compliance, LCP Tracker, and CA eCPR CML file, etc.)

Job Maintenance

Name: QuickBooks Job Record=Project

Standard Information Additional Information **Form Options**

Certified Payroll Report

Form to Use: **Audit Friendly A-1-131 Form**

☐ Use Department of Defense CA dR A-1-131 Form
☐ Use Notarized Federal State WH-347 Federal Form
☐ Use California Golden State Audit Friendly A-1-131 Form
☐ Use California Private Job CA DOT Form
☐ If a save reports folder is Legal Size CA dR A-1-131 Form
City of San Jose Form
City of Los Angeles Form (Legal Size)
DOT CEM-2505 Owner Operators

SSN # Format: Show SSN

☐ Omit Employee's address.

Electronic Filing

Electronic Upload Type: **None**

SSN # Format: Standard XML Export file. (Elation Systems)
LCP Tracker Export file.
Sandia Laboratory XML Export file.
eComply XML (Tell them Sunburst).
Texas DOT Export file.
NY DOT EBD Export file.
Maryland DLLR Export file.

☐ List By "Print Name As"
☐ Only Open Jobs

Ok Cancel

?

How to setup the Audit Friendly Report if you're a Union Contractor and all fringes are paid to the Union Hall

PRE-REQUISITES:

Each Work classification and/or Work Classification/Payrate combination MUST have their own specific Payroll Wage Item for Straight Time, Overtime, etc. in QuickBooks.

NOTE: If your Vacation fringe is taxable, refer to [this section](#) for how to set up a taxable vacation fringe..

So if we go back to my example

Work Classification	Base Rate	ST	OT Rate	H&W	Pension	Vac/Hol	Training	Other	Total Fringe	Total ST	Total OT
Operating Engineer Group 2 - Heavy & Highway	65.19		97.785	13.38	10.78	5.96	1.21	1.6	32.93	98.12	130.715
Operating Engineer Group 2 - Landscape Construction	45.73		68.595	13.38	10.35	4.53	1.25	1.43	30.94	76.67	99.535

You'll need a payroll wage item for each of these specific classifications for Straight time (ST), Overtime (OT) and perhaps even Double-time (DT).

1. Once the payroll items are in place, in CPS go to System Setup → Fringe Benefits and Special Withholdings. Here you'll set up each fringe item as:

- Being paid by the employer
- This amount is calculated by Certified Payroll Solution using the rate entered for each Payroll Wage Item
- And, this contribution rate is entered for each Payroll Wage Item. (You could enter contributions by Work Classification, but by payroll wage item is easier).

Fringe Benefit & Special Withholdings Setup

SDI **Vacation** Health & Welfare Pension Training Fund Admin TRV/Subs Savings

Name: *** Highly recommended that you NOT change this name.

Paid by Employee or Employer:

☒ This fringe is paid by the employer

☐ This is deducted from the employee's paycheck.

Calculation Method:

☐ This amount is derived from the QuickBooks paycheck.

☒ This amount is calculated by Certified Payroll Solution using the rate entered for each Payroll Wage Item.

☐ No calculation

For the "Audit Friendly Report"

☐ Add Employer Health Insurance contribution from each employee to this fringe.

☒ This contribution rate is entered for each Payroll Wage Item.

☐ This contribution rate is entered for each Work Classification.

Ok Cancel ?

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

2. IF you're tracking fringe contributions in your QuickBooks Paychecks (which you should for accurate job costing and liability payments to the union hall) you'll need to set each fringe item to Unused - either when it's initially brought into CPS and you need to link it back to QuickBooks during the Deduction Reconciliation.

OR

If you're just setting up the Audit Friendly Report after having used CPS for a while make this change in Linked Data→ Deductions for ALL Fringe Benefit items in QuickBooks.

Deduction Maintenance

Name: Pension-Heavy & Highway

☐ This is really an additional wage.

Type of Deduction/Contribution

- ☐ Federal Withholding
- ☐ Medicare
- ☐ Union Dues
- ☐ Union Benefit
- ☐ SDI
- ☐ Fica
- ☐ State Withholding
- ☐ Other Withholding
- ☒ Unused

Type of Other WH

- ☒ Not Applicable
- ☐ Child Support
- ☐ Medical
- ☐ Union Dues
- ☐ SDI

Ok Cancel ?

3. The next step involved in the setup is to enter the hourly value of the fringes for each payroll wage item either during the Wage Reconciliation (if you're a new customer)

OR

If you've been using CPS for awhile and are just now setting up the Audit Friendly form.

Setting Up & Using the "Audit Friendly" version of the California A-I-131 Form

You'll need to enter the hourly fringe rates for Straight time, Overtime, and/or Double-time.

IMPORTANT:

- Make sure you click the Ok button, then Done, and select Yes, to save changes or the changes you made will NOT be saved!
- You will need to update the fringe rates each time a new wage decision is published.
- IF you are allowed to use the same wage decision for the life of the contract, you'll need to set up new payroll wage items in QuickBooks.

Your printed report will look like this.

(3)	(4) DAY							(5)	(6)	(7)		(8)											(9)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
	Mon	Tue	Wed	Thu	Fri	Sat	Sun			GROSS AMOUNT EARNED	ALL PROJECTS	TOTAL DEDUCTIONS, CONTRIBUTIONS AND PAYMENTS																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
	DATE											THIS PROJECT	ALL PROJECTS																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
	10/2	10/3	10/4	10/5	10/6	10/7	10/8																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
WORK CLASSIFICATION	HOURS WORKED EACH DAY							RATE TOTAL HOURS	RATE TOTAL HOURS														NET WAGES PAID FOR WEEK																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
Operating Engineer Group 2 Heavy & Highway	S	0	0	4	8	8	0	0	20	\$65.19			FICA	ST TAX	SDI	VAC/HOL	HEALTH/WEL	PENSION																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												

Verifying your report or troubleshooting the information:

The amounts in #8 Total Deductions, Contributions and Payments SHOULD match the totals from your QuickBooks paychecks for ALL contributions for all jobs.

The amounts in Employer Paid Fringe Contributions/Plan Payment Rates THIS JOB ONLY come from the hourly values you entered in Linked Data → Wages → FOR THE SPECIFIC PAYROLL WAGE ITEM used for this job.

Total Rate block should equal the total fringe rate for this work classification that was found in the Wage Determination.

Total \$ equals the Total Rate multiplied by the number of hours on this project.
Sunburst Software Solutions, Inc.

How to set up the Audit Friendly Report if you're a Union Contractor and the Vacation Fringe is taxable to both your company and the employee.

NOTE: All other fringes are set up as explained in [How to setup the Audit Friendly Report if you're a Union Contractor and all fringes are paid to the Union Hall](#). The only change that must be made is for how the Vacation Fringe is handled in ALL METHODS.

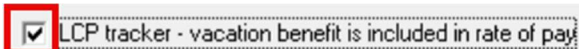
We've seen **so many ways** that people have set up a taxable vacation fringe - when the union requires you to show vacation being added so it's taxed and then deducted after taxes.

Many of these ways do nothing but create additional work for you when doing payroll and honestly are overly complicated when it doesn't have to be.

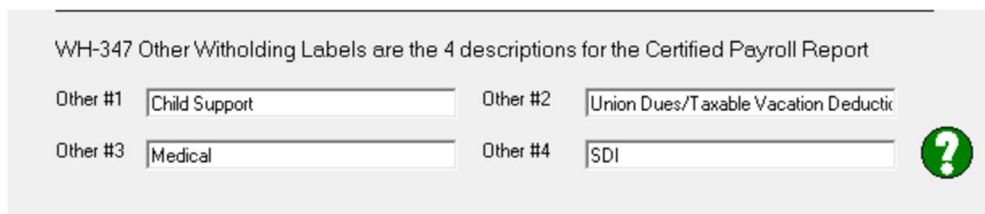
There are 3 methods to accomplish this, choose the one that is right for you.

Method 1 - Add the vacation fringe rate to the base rate and this becomes your QuickBooks rate of pay.

- Create a **deduction item** (Vacation After Tax) in QuickBooks for the vacation hourly amount.
- In CPS go to System Setup → System Preferences → click on the Settings tab and check the option for LCPTracker - vacation benefit is included in the rate of pay option. This is the last option on this screen. If you don't see this option, you need to update your CPS software - from the Help menu → Check for Updates → when the web service center page loads, click the Download Current CPS Setup/Installation button → run the update and follow the prompts.



- In CPS from the System Setup menu → System Preferences → click on the Labels tab. In the WH-347 Other Withholding Labels section make one of the labels (it doesn't matter which one) say something like Taxable Vacation Deduction. You may need to combine the descriptions for these labels as there is only room for 4 and this needs to be clearly spelled out if you submit the Federal WH-347 form.

A screenshot of the "WH-347 Other Withholding Labels" section in the CPS software. The title says "WH-347 Other Withholding Labels are the 4 descriptions for the Certified Payroll Report". There are four input fields: "Other #1" with "Child Support", "Other #2" with "Union Dues/Taxable Vacation Deducti", "Other #3" with "Medical", and "Other #4" with "SDI". A green question mark icon is visible on the right side of the form.

- From the System Setup menu → Fringe Benefits & Special Withholdings → click the Vacation tab. It needs to be setup as:
 - This fringe is paid by the employer
 - This amount is calculated by Certified Payroll Solution using the rate entered for each Payroll Wage Item
 - And, this contribution rate is entered for each payroll wage item

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

Fringe Benefit & Special Withholdings Setup

SDI **Vacation** Health & Welfare Pension Training Fund Admin TRV/Subs Savings LCP Vacation

Name: Vacation ** Highly recommended that you NOT change this name.

Paid by Employee or Employer:

☒ This fringe is paid by the employer

☐ This is deducted from the employee's paycheck

Calculation Method:

☐ This amount is derived from the QuickBooks paycheck.

☒ This amount is calculated by Certified Payroll Solution using the rate entered for each Payroll Wage Item.

☐ No calculation

For the "Audit Friendly Report"

☐ Add Employer Health Insurance contribution from each employee to this fringe.

☒ This contribution rate is entered for each Payroll Wage Item.

☐ This contribution rate is entered for each Work Classification.

Ok Cancel ?

- From the Linked Data menu → Deductions → find and EDIT each of the Vacation deduction items from QuickBooks and set each one to Other Withholding in the top half of the screen and the LABEL you created for Taxable Vacation Deduction as shown below.

Deduction Maintenance

Operator Other
Operator Pension
Operator Training
Operator Union Dues
Operator Vac/Holiday (Tax)
Other-Heavy & Highway
Other-Landscape
Pension
Pension-Heavy & Highway
Pension-Landscape
Social Security Company
Social Security Employee
Training-Heavy & Highway
Training-Landscape
Union Dues
Vacation Deduct (After Tax)
Vacation Fund
Vacation/Holiday (Tax)
Vac-Hol Heavy & Highway
Vac-Hol Landscape (Tax)
WC Appr
WC Clerical
WC Equip
WC Masonry
WC Supervisor
WC Trucking
Workers Compensation

Name: Vacation Deduct (After Tax)

☐ This is really an additional wage.

Type of Deduction/Contribution

☐ Federal Withholding ☐ Fica

☐ Medicare ☐ State Withholding

☐ Union Dues → ☒ Other Withholding

☐ Union Benefit ☐ Unused

☐ SDI

Type of Other WH

☐ Not Applicable

☐ Child Support → ☒ Union Dues/ Taxable vacation Deduction

☐ Medical ☐ SDI

Ok Cancel ?

- From the Linked Data menu → Wages → Find and edit each payroll wage item and enter the hourly fringe benefit rates. **Even though you are uploading to LCPtracker, DIR, etc. DO NOT enter a rate in the LCP Vacation. The upload files will pick up the amount you entered for Vacation (5.96 in this example).**

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

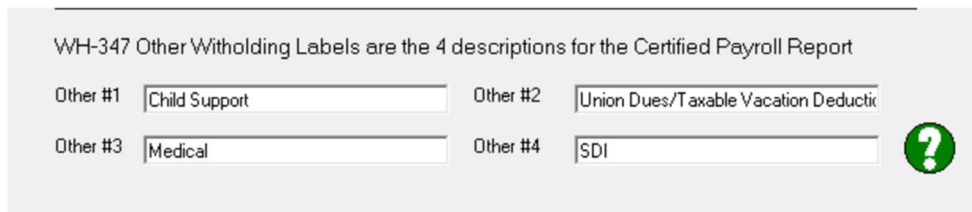
- Be sure to click the Ok button, then Done, and select YES, to save your changes when you're finished editing your wage items. If you do not, then you've just totally wasted your time.

Your printed report will look like this:

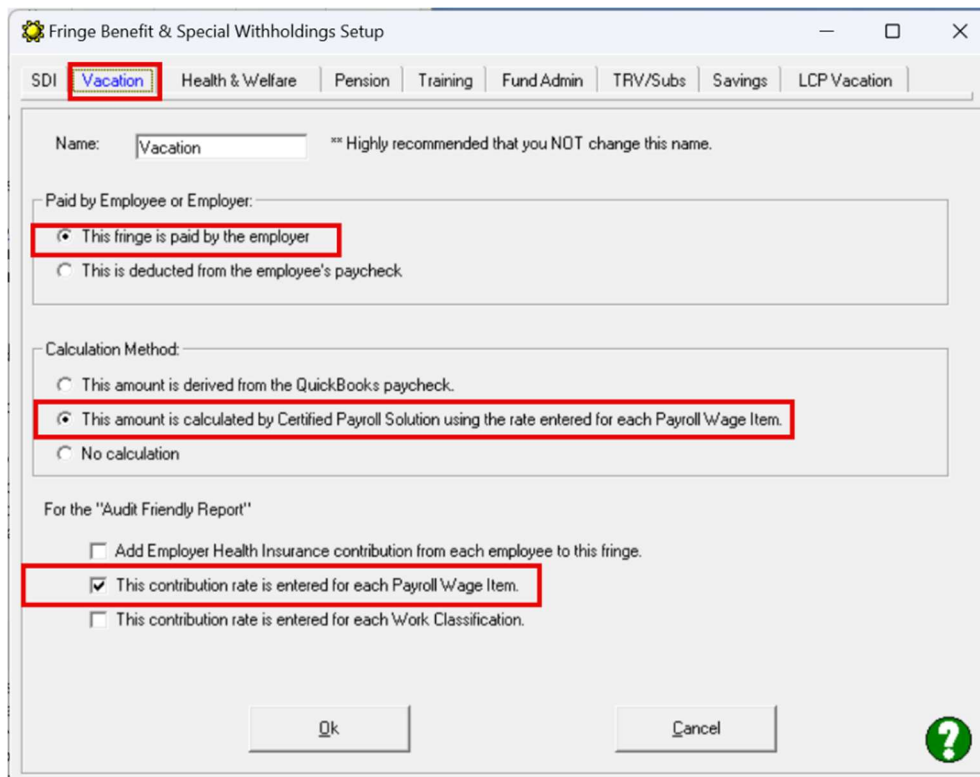
(3)	(4) DAY							(5)	(6)	(7)		(8)								(9)									
	Mon	Tue	Wed	Thu	Fri	Sat	Sun			GROSS AMOUNT																			
	DATE									EARNED																			
	10/9	10/10	10/11	10/12	10/13	10/14	10/15			TOTAL	THIS	ALL	TOTAL DEDUCTIONS, CONTRIBUTIONS AND PAYMENTS																
WORK CLASSIFICATION	HOURS WORKED EACH DAY							HOURS	RATE OF PAY	PROJECT	PROJECTS									NET WAGES PAID FOR WEEK									
Operating Engineer Group 2 - Heavy & Highway	S	8	8	8	8	8	0	0	40	\$ 71.15			FWH	MCARE	FICA	ST TAX	SDI	VAC/HOL	HEALTH/WEL	PENSION									
	D	Vacation fringe included in rate of pay									\$ 2,846.00	\$ 2,846.00	\$ 532.00	\$ 41.27	\$ 176.45	\$ 212.24	\$ 25	\$ 238.40	\$ 535.20	\$ 431.20									
	O												TRAINING	FUND ADMS	JOBS	TRV/SUBS	SAVINGS	OTHER	TOTAL DED	CHK NUM	\$ 1,620.03								
													\$ 68.40	\$ 64.00	\$ -	\$ -	\$ -	\$ 238.40	\$ 1,225.97	1069									
Total Vacation Contributed for the week for ALL JOBS											EMPLOYER PAID FRINGE CONTRIBUTIONS/PLAN PAYMENT Rates THIS JOB ONLY																		
Vacation fringe DEDUCTED after taxes											TRAINING											PENSION	TRV/SUBS	VAC/HOL	FUND ADMS	SAVINGS	HEALTH/WEL	Total Rate	TOTAL
Hourly fringe amounts from Linked Data --> Wages											\$1.21											\$10.78		\$5.96	\$1.60		\$13.38	\$32.93	\$1,317.20

Method 2 - Create the Vacation Fringe (IN) as an Addition type payroll item in QuickBooks so it's taxed and then a Vacation Out Deduction item to deduct the fringe after taxes.

- In QuickBooks create an Addition Payroll Item type for the Vacation IN
- In QuickBooks create a Deduction Payroll Item type for the Vacation OUT
- In CPS from the System Setup menu → System Preferences → click on the Labels tab. In the WH-347 Other Withholding Labels section make one of the labels (it doesn't matter which one) say something like Taxable Vacation Deduction. You may need to combine the descriptions for these labels as there is only room for 4 and this needs to be clearly spelled out if you submit the Federal WH-347 form.



- Next, go to System Setup → Fringe Benefits & Special Withholdings → click on the Vacation tab. Select the following options:
 - This fringe is paid by the employer
 - This amount is calculated by Certified Payroll Solution using the rate entered for each Payroll Wage Item
 - And, This contribution rate is entered for each Payroll Wage Item



- From the Linked Data menu → Wages → Find and edit each payroll wage item and enter the hourly fringe benefit rates. **DO NOT enter a rate in the LCP Vacation.**
- Sunburst Software Solutions, Inc. Page 12

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

The upload files will pick up the amount you entered for Vacation (5.96 in this example).

Wage Maintenance

County A Group II Operator
County A Group II Operator -OT
County A Laborer
County A Laborer -OT
County A Teamsters Group 1
County A Teamsters Group 1 -OT
County B Group II Operator
County B Group II Operator -OT
Crane
Crane Operator
Crane Operator DT
Crane Operator OT
Dozer
Dozer DT
Dozer OT
Field Holiday Pay
Flagman, Group 1 Laborer
Flagman, Group 1 Laborer OT
Group 1 Operator
Group 1 Operator -OT
Group III Operator
Group III Operator -OT
Heavy-Highway Group 2
Heavy-Highway Group 2 OT
Holiday Pay
Hourly
Hourly DT
Hourly OT
Hourly Sick
Hourly Vacation
Laborer
Laborer DT

Name: Heavy-Highway Group 2+Vacation

Work Classification: Operating Engineer Group 2 - Heavy & Highway

Cash Benefit Rate: 0

MyLcm Total Fringe Rate Paid by Employer: 0

Type of Wage:
☐ Unused ☒ Straight Time ☐ Double Time ☐ Overtime
☐ Salary ☐ Bonus ☐ Commission

Fringe Rates

Enter hourly fringe amounts

Vacation	5.96
Health & Welfare	13.38
Pension	10.78
Training	1.21
Fund Admin	1.6
TRV/Subs	0
Savings	0
LCP Vacation	0

DO NOT add an Hourly value for LCP Vacation

Ok Cancel

Be sure to click the Ok button, then Done, and select YES, to save your changes when you're finished editing your wage items. If you do not, then you've just totally wasted your time.

- From the Linked Data menu → Deductions → find and EDIT each of the Vacation deduction items from QuickBooks and set each one to Other Withholding in the top half of the screen and the LABEL you created for Taxable Vacation Deduction as shown below.

Deduction Maintenance

Operator Other
Operator Pension
Operator Training
Operator Union Dues
Operator Vac/Holiday (Tax)
Other-Heavy & Highway
Other-Landscape
Pension
Pension-Heavy & Highway
Pension-Landscape
Social Security Company
Social Security Employee
Training-Heavy & Highway
Training-Landscape
Union Dues
Vacation Fund
Vacation/Holiday (Tax)
Vac-Hol Heavy & Highway
Vac-Hol Landscape (Tax)
WC Appr
WC Clerical
WC Equip
WC Masonry
WC Supervisor
WC Trucking
Workers Compensation

Name: Vacation Deduct (After Tax)

☐ This is really an additional wage.

Type of Deduction/Contribution:
☐ Federal Withholding ☐ Fica
☐ Medicare ☐ State Withholding
☐ Union Dues ☒ Other Withholding
☐ Union Benefit ☐ Unused
☐ SDI

Type of Other WH:
☐ Not Applicable ☒ Union Dues/ Taxable Vacation Deduction
☐ Child Support ☐ SDI
☐ Medical

Ok Cancel

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

Be sure to click the Ok button, then Done, and select YES, to save your changes when you're finished editing your wage items. If you do not, then you've just totally wasted your time.

- Still in Linked Data → Deductions (OR during the Deduction Reconciliation) find and edit EACH of the Vacation In Addition Items, selecting:
 - This is really an additional wage
 - And, Unused

Deduction Maintenance

Name: Vacation In (Taxable)

☒ This is really an additional wage

Type of Deduction/Contribution

- ☐ Federal Withholding
- ☐ Medicare
- ☐ Union Dues
- ☐ Union Benefit
- ☐ SDI
- ☐ Fica
- ☐ State Withholding
- ☐ Other Withholding
- ☒ Unused

Type of Other WH

- ☒ Not Applicable
- ☐ Child Support
- ☐ Medical
- ☐ Union Dues / Taxable vacation Deduction
- ☐ SDI

Ok Cancel

Be sure to click the Ok button, then Done, and select YES, to save your changes when you're finished editing your wage items. If you do not, then you've just totally wasted your time.

Your printed report will look like this:

(3)	(4) DAY							(5)	(6)	(7)		(8)									(9)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
	Mon	Tue	Wed	Thu	Fri	Sat	Sun			GROSS AMOUNT EARNED		TOTAL DEDUCTIONS, CONTRIBUTIONS AND PAYMENTS																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
	DATE									TOTAL HOURS	HOURLY RATE OF PAY	THIS PROJECT	ALL PROJECTS																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
	10/16	10/17	10/18	10/19	10/20	10/21	10/22																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
WORK CLASSIFICATION	HOURS WORKED EACH DAY																				NET WAGES PAID FOR WEEK																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
Operating Engineer Group 2 Heavy & Highway	\$	8	8	8	8	8	0	0	40	\$	65.19																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			</

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

The amounts in Employer Paid Fringe Contributions/Plan Payment Rates THIS JOB ONLY come from the hourly values you entered in Linked Data → Wages → FOR THE SPECIFIC PAYROLL WAGE ITEM used for this job/employee.

Total Rate block should equal the total fringe rate for this work classification that was found in the Wage Determination.

Total \$ equals the Total Rate multiplied by the number of hours on this project.

We do not recommend this method - because you cannot include the Vacation amount in Gross Amount Earned THIS project and your reports look off.

Method 3 - The Union just wants the vacation fringe taxed without all this "in and out stuff".

Sometimes the Union just wants to be sure that the Vacation fringe is taxed without all this in and out stuff.

This is by far the easiest of all the methods because all you must do is make the Vacation Company Contribution Item type in QuickBooks taxable - by choosing Compensation in the Tax Tracking Type section of the item setup.

The screenshot shows the 'Edit payroll item' window for 'Company Contribution: Vac-Hol Heavy & Highway (Taxed)'. The 'Tax tracking type' dropdown menu is highlighted with a red box and a blue arrow pointing to it. The dropdown menu is open, showing 'Compensation' as the selected option. Below the dropdown, there is a red box containing text explaining the 'Compensation' tax tracking type: 'Used for taxable wages such as bonuses, awards, and piece work in cash or other payments. This tax tracking type is associated with additions. Effect on Federal forms listed when used as an addition with default taxability settings: 940: Increases wages (line 3), 941: Increases wages (lines 2, 5a, 5c), 944: Increases wages (lines 1, 4a, 4c), W-2: Increases wages (boxes 1, 3, 5)'. At the bottom of the window, there are buttons for 'Back', 'Next', 'Finish', and 'Cancel'.

Once the Vacation Company Contribution item is set up like this, follow the instructions for [How to setup the Audit Friendly Report if you're a Union Contractor and all fringes are paid to the Union Hall](#)

How to setup the Audit Friendly Report if you're a Non-Union Contractor, pay ALL the fringes into one or more bona-fide plans and one or more of the fringes are different for each employee

This requires more setup - both on the QuickBooks side as well as in CPS because your fringe contributions for certain bona-fide items are different for each employee, so there is a lot of math involved. Read the Pre-Requisites carefully.

PRE-REQUISITES:

Each Work classification and/or Work Classification/Payrate combination MUST have their own specific Payroll Wage Item in QuickBooks.

So if we go back to my example

Work Classification	Base Rate ST	OT Rate H&W	Pension	Vac/Hol	Training	Other	Total Fringe	Total ST	Total OT	
Operating Engineer Group 2 - Heavy & Highway	65.19	97.785	13.38	10.78	5.96	1.21	1.6	32.93	98.12	130.715
Operating Engineer Group 2 - Landscape Construction	45.73	68.595	13.38	10.35	4.53	1.25	1.43	30.94	76.67	99.535

You'll need a payroll wage item for each of these specific classifications for Straight time (ST), Overtime (OT) and perhaps even Double-time (DT).

You will also need to determine the hourly value for each bona-fide fringe benefit for each employee PLUS the hourly value for the Training contribution.

It's easiest to do this in an Excel spreadsheet and add formula's so it will do the math for you.

	Employee	Work Class	Base Rate	OT Rate	Total Fringe Rate	Total ST PLUS Fringe	Total OT PLUS Fringe	Training	Monthly Company Paid Health Ins. Amount	Multiply by 12	Company Annual Limit	Divide by Annual Hours (2080, 2040, or 2000)	Equals Hourly Value	Balance to Pension
3	John J. Equipment	Operating Engineer Group 2 - Heavy & Highway	65.19	97.79	32.93	98.12	130.72	1.21	450.00	12	5400.00	2040	2.65	29.07

1. Once the payroll items are in place, in CPS go to System Setup → Fringe Benefits and Special Withholdings. Here you'll set up each fringe item as:

- Being paid by the employer
- This amount is calculated by Certified Payroll Solution using the rate entered for each Payroll Wage Item
- And, this contribution rate is entered for each Payroll Wage Item. (You could enter contributions by Work Classification, but by payroll wage item is easier).

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

Fringe Benefit & Special Withholdings Setup

SDI **Vacation** Health & Welfare Pension Training Fund Admin TRV/Subs Savings

Name: ** Highly recommended that you NOT change this name.

Paid by Employee or Employer:

☒ This fringe is paid by the employer

☐ This is deducted from the employee's paycheck.

Calculation Method:

☐ This amount is derived from the QuickBooks paycheck.

☒ This amount is calculated by Certified Payroll Solution using the rate entered for each Payroll Wage Item.

☐ No calculation

For the "Audit Friendly Report"

☐ Add Employer Health Insurance contribution from each employee to this fringe.

☒ This contribution rate is entered for each Payroll Wage Item.

☐ This contribution rate is entered for each Work Classification.

Ok Cancel ?

- **Because your fringe rates will vary by employee**, go to System Setup → System Preferences → click on the W/C Info + tab and check the option at the bottom for Enter Fringe Benefits by Employee as shown below:

System Preferences

Addresses **W/C Info +** Labels Settings Data Locations

Enter information if it is required on your forms.

Self-Insured Certificate #

W/C Policy Number

W/C Effective Date

W/C Expiration Date

Federal Employer ID # (FEIN)

DUNS #

Texas DOT Contractor ID (5 digit #)

Unemployment Insurance #

Prism User Name

Save Prism Upload as XLSX file instead of XLS

☒ Enter Fringe Benefits by Employee

☐ On California DIR eLpr XML Upload use benefit rates, not total contributed.

☐ Print duplex Certified Payroll Reports

Ok Cancel ?

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

- From Linked Data → Deductions find and Edit EACH of the company paid fringe items and set them to Unused as shown below. Be sure to click the Ok button, then Done, and select Yes, to save changes when you're finished editing or you will have just wasted your time.

The screenshot shows the 'Deduction Maintenance' window. On the left is a list of deduction types, with 'Health Insurance (company paid)' selected. The main area shows the details for this deduction. The 'Name' field contains 'Health Insurance (company paid)'. Below it is a checkbox labeled 'This is really an additional wage.' which is unchecked. The 'Type of Deduction/Contribution' section has several radio button options: Federal Withholding, Medicare, Union Dues, Union Benefit, SDI, Fica, State Withholding, and Other Withholding. The 'Unused' option is selected and highlighted with a red box and a blue arrow. At the bottom are 'Ok' and 'Cancel' buttons, and a green question mark icon in the bottom right corner.

- From Linked Data → Employees (or the Employee Reconciliation), click on the Benefits tab and enter the hourly amounts that are specific to this employee. (The Training Fringe rate will be for all employees who work under a specific classification, so you don't need to enter that here - you'll enter the Training Fringe rate under the payroll wage option). If you're editing Employees, make sure you click the OK button, then Done, and select Yes, to Save Changes when you've finished - otherwise you've just wasted your time.

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

Employee, Fringes By

Name: Employee, Fringes By

Local: None

EEOC Work Class: Equip. Opers.

Race: White

Federal Allowances: M

Gender: Female

Miscellaneous **Benefits**

Vacation Rate	0
Health & Welfare Rate	2.65
Pension Rate	29.07
Training Rate	0
Fund Admin Rate	0
TRV/Subs Rate	0
Savings Rate	0
LCP Vacation Rate	0

Enter ONLY the hourly rates that change by employee.

The Training fringe will be entered under Linked Data --> Wages because it applies to all employees working under that wage/classification combination

Ok Cancel ?

- From Linked Data → Wages (or the Wage Reconciliation) enter the amount of the Training fringe - because this rate is the same for all employees who work under this classification. If you're editing Wages, make sure you click the OK button, then Done, and select Yes, to Save Changes when you've finished - otherwise you've just wasted your time.

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

Wage Maintenance

Name: Fringes by Employee

Work Classification: Operating Engineer Group 2 - Heavy & Edit Work Classes

Cash Benefit Rate: 0

MyLcm Total Fringe Rate Paid by Employer: 0

Type of Wage: ☒ Unused ☒ Straight Time ☐ Double Time ☐ Overtime

☐ Salary ☐ Bonus ☐ Commission

Fringe Rates

Health & Welfare: 0

Vacation: 0

Training: 1.21

Fund Admin: 0

TRV/Subs: 0

Savings: 0

LCP Vacation: 0

Ok Cancel

Your printed report will look like this:

(3)	(4) DAY							(5)	(6)	(7) GROSS AMOUNT		(8) TOTAL DEDUCTIONS, CONTRIBUTIONS AND PAYMENTS								(9) NET WAGES PAID FOR WEEK
WORK CLASSIFICATION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	TOTAL HOURS	HOURLY RATE OF PAY	THIS PROJECT	ALL PROJECTS									
Operating Engineer Group 2 - Heavy &	10/23	10/24	10/25	10/26	10/27	10/28	10/29	40	\$65.19	\$2,607.60	\$2,607.60	FICA	MCARE	ST TAX	SDI	VAC/HOL	HEALTH/WEL	PENSION		
	8	8	8	8	8	0	0					\$475.00	\$37.81	\$161.67	\$107.88	\$25.47	\$106.00	\$1,162.80		
												TRAINING	FUND ADMN	TRV/SUBS	VAC/HOL	FUND ADM	SAVINGS	OTHER	TOTAL DEF	CHK NUM
												\$48.40	\$-	\$-	\$-	\$-	\$-	\$885.80	1071	
	Totals for ALL Jobs											EMPLOYER PAID FRINGE CONTRIBUTIONS/PLAN PAYMENT Rates THIS JOB ONLY								
												TRAINING	PENSION	TRV/SUBS	VAC/HOL	FUND ADM	SAVINGS	HEALTH/WEL	Total Rate	TOTAL \$
												\$1.21	\$29.07					\$2.65	\$32.93	\$1,317.20

Verifying your report or troubleshooting the information:

The Vacation amount in #8 Total Deductions, Contributions and Payments SHOULD match the totals from your QuickBooks paychecks for ALL contributions for all jobs.

The Vacation Deduction (after taxes) amount for ALL jobs will be reported in the OTHER block.

The amounts in Employer Paid Fringe Contributions/Plan Payment Rates THIS JOB ONLY come from the hourly values you entered in Linked Data → Wages → FOR THE SPECIFIC PAYROLL WAGE ITEM used for this job/employee.

Total Rate block should equal the total fringe rate for this work classification that was found in the Wage Determination.

Total \$ equals the Total Rate multiplied by the number of hours on this project.

If you pay your fringes in cash to the employee as part of his/her hourly rate of pay, BUT you still need to pay the Training fringe to the CA Apprenticeship Council.

This requires more setup in CPS because you'll need to make sure that not only is the Audit Friendly report is correct, but also the Federal WH-347 form is also correct.

PRE-REQUISITES:

Each Work classification and/or Work Classification/Payrate combination MUST have their own specific Payroll Wage Item in QuickBooks.

You will also need to determine the hourly rate of pay for Straight time and Overtime that includes the CASH Fringe portion.

It's easiest to do this in an Excel spreadsheet and add formula's so it will do the math for you.

Employee	Work Class	Base Rate	OT Rate	Total Fringe Rate	MINUS Training Fringe	EQUALS Cash Fringe	ST Rate Wage + Cash Fringe	OT Rate Wage + Fringe
John J. Equipment	Operating Engineer Group 2 - Heavy & Highway	65.19	97.79	32.93	1.21	31.72	96.91	129.51

Each Work classification and/or Work Classification/Payrate combination MUST have their own specific Payroll Wage Item in QuickBooks and the amounts in the ST Rate Wage + Cash Fringe and OT Rate Wage + Fringe amounts become your employees rates of pay in QuickBooks.

You'll need a payroll wage item for each of these specific classifications for Straight time (ST), Overtime (OT) and perhaps even Double-time (DT).

- In CPS, go to System Setup → Fringe Benefits & Special Withholdings → click on the Training tab. The Training contribution should be set up as follows and is shown below:
 - This fringe is paid by the employer
 - This amount is calculated by Certified Payroll Solution using the rate entered for each Payroll Wage Item
 - This contribution rate is entered for each Payroll Wage Item

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

Fringe Benefit & Special Withholdings Setup

SDI | Vacation | Health & Welfare | Pension | **Training** | Fund Admin | TRV/Subs | Savings | LCP/Vacation

Name: ** Highly recommended that you NOT change this name.

Paid by Employee or Employer:

- ☒ This fringe is paid by the employer
- ☐ This is deducted from the employee's paycheck

Calculation Method:

- ☐ This amount is derived from the QuickBooks paycheck.
- ☒ This amount is calculated by Certified Payroll Solution using the rate entered for each Payroll Wage Item.
- ☐ No calculation

For the "Audit Friendly Report"

- ☐ Add Employer Health Insurance contribution from each employee to this fringe.
- ☒ This contribution rate is entered for each Payroll Wage Item.
- ☐ This contribution rate is entered for each Work Classification.

Ok Cancel ?

- No additional information (other than normal setup) is required in Employee Reconciliation (or Linked Data → Employees)
- Under the Wage Reconciliation (or Linked Data → Wages) there is some additional setup required.
 - In the Cash Benefit Rate block enter the AMOUNT OF CASH FRINGES YOU ARE PAYING that is included in the wage rate (refer to your spreadsheet)
 - In the Training block, enter the Training Fringe rate

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

The screenshot shows the 'Wage Maintenance' window. On the left is a list of job titles. The main area is for editing a wage class named 'Fringes in Cash'. The 'Work Classification' is set to 'Operating Engineer Group 2 - Heavy & Highway'. The 'Cash Benefit Rate' is set to 31.72, with a red note stating 'Cash Fringe included in QB Wage'. Below this, the 'Type of Wage' is set to 'Straight Time'. The 'Fringe Rates' section shows various rates: Health & Welfare (0), Pension (0), Training (1.21), Fund Admin (0), TRV/Subs (0), Savings (0), LCP Vacation (0), and Vacation (0). The 'Training' rate is highlighted with a red box. At the bottom are 'Ok' and 'Cancel' buttons, and a green question mark icon in the bottom right corner.

- Under the Deduction Reconciliation (or Linked Data → Deductions) set the Training Contribution item to Unused

The screenshot shows the 'Deduction Maintenance' window. On the left is a list of deduction types. The main area is for editing a deduction named 'Training-Heavy & Highway'. The checkbox 'This is really an additional wage' is unchecked. The 'Type of Deduction/Contribution' section has several options: Federal Withholding, Fica, Medicare, State Withholding, Union Dues, Other Withholding, Union Benefit, and SDI. The 'Unused' option is selected and highlighted with a red box. A blue arrow points to this option. Below this is the 'Type of Other WH' section with options: Not Applicable, Child Support, Medical, Union Dues / Taxable Vacation Deduction, and SDI. At the bottom are 'Ok' and 'Cancel' buttons, and a green question mark icon in the bottom right corner.

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

This is how your printed reports should look:

Audit Friendly Report

(3)	(4) DAY							(5)	(6)	(7)		(8)								(9)						
	Mon	Tue	Wed	Thu	Fri	Sat	Sun			GROSS AMOUNT EARNED																
	DATE									TOTAL HOURS	RATE OF PAY	THIS PROJECT	ALL PROJECTS	TOTAL DEDUCTIONS, CONTRIBUTIONS AND PAYMENTS												
	10/30	10/31	11/1	11/2	11/3	11/4	11/5																			
WORK CLASSIFICATION	HOURS WORKED EACH DAY																									
Operating Engineer Group 2 Heavy & Highway	S	8	8	8	8	8	0	0	40	\$96.91			\$801.00	\$56.21	\$240.34	\$317.65	\$34.89	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	
	D	Hourly Rate AFTER deducting the Training Fringe									\$3,876.40	\$3,876.40	TRAINING	FUND ADMN	DUES	TRV/SUBS	SAVINGS	OTHER	TOTAL DED	CHK NUM	\$2,426.31					
	O	Total Training contribution for the week											\$48.40	\$-	\$-	\$-	\$-	\$-	\$-	\$1,450.09	1072					
															EMPLOYER PAID FRINGE CONTRIBUTIONS/PLAN PAYMENT Rates THIS JOB ONLY											
													TRAINING	PENSION	TRV/SUBS	VAC/HOL	FUND ADM	SAVINGS	HEALTH/WEL	Total Rate	TOTAL \$					
													\$1.21							\$1.21	\$48.40					
		Hourly Training Contribution from Linked Data --> Wages																								

Federal WH-347 Form

(3) WORK CLASSIFICATION	Overtime or Straight Time	(4) DAY AND DATE							(5) TOTAL HOURS	(6) RATE OF PAY/CASH FRINGES	(7) GROSS AMOUNT EARNED - THIS JOB/ALL JOBS	(8) DEDUCTIONS - BASED ON GROSS WAGES FOR ALL PROJECTS						(9) NET WAGES PAID FOR WEEK
		Mon	Tue	Wed	Thu	Fri	Sat	Sun				FWH	MCARE	FICA	STWH	OTHER	TOTAL DEDUCTIONS	
		10/30	10/31	11/1	11/2	11/3	11/4	11/5										
		HOURS WORKED EACH DAY																
Operating Engineer Group 2 - Heavy &	ST	8	8	8	8	8	0	0	→ \$65.19/\$31.72	\$ 3,876.40					#1 \$ -			
	DT														#2 \$ -			
	OT														#3 \$ -			
		Base rate PLUS total Cash Fringe									\$3,876.40	\$ 801.00	\$ 56.21	\$ 240.34	\$ 317.65	#4 \$ 34.89	\$ 1,450.09	\$ 2,426.31

Verifying your report or troubleshooting the information:

Audit Friendly Form

The rate of pay is the Hourly rate of pay from QB AFTER deducting the Training contribution (refer to your spreadsheet)

The Training amount in #8 Total Deductions, Contributions and Payments SHOULD match the totals from your QuickBooks paychecks for ALL contributions for all jobs.

The amounts in Employer Paid Fringe Contributions/Plan Payment Rates THIS JOB ONLY come from the hourly values you entered in Linked Data → Wages → FOR THE SPECIFIC PAYROLL WAGE ITEM used for this job/employee.

Total Rate block should equal the total fringe rate for this work classification that was found in the Wage Determination.

Total \$ equals the Total Rate multiplied by the number of hours on this project.

WH-347 form

The rate of pay/cash fringes amount should be the same amounts from your spreadsheet (Base rate and the CASH FRINGE RATE).

The Training Fringe is NOT displayed on the WH-347 because it is ONLY concerned with the rate of fringes paid in cash to the employee as part of his/her hourly wage.

You pay fringes into several bona-fide plans, but there's still a CASH Fringe Rate left

This requires more setup in CPS because, well - not only is this COMPLICATED, but you'll need to make sure that not only is the Audit Friendly report is correct, but also the Federal WH-347 form is also correct.

PRE-REQUISITES:

Each Work classification and/or Work Classification/Payrate combination MUST have their own specific Payroll Wage Item in QuickBooks.

You will also need to determine the hourly rate of pay for Straight time and Overtime that includes the CASH Fringe portion.

And the plan contributions MUST be a consistent rate for each employee regardless of what work classification they work under.

It's easiest to do this in an Excel spreadsheet and add formula's so it will do the math for you - because the math just got way more complicated too.

Employee	Work Class	Amounts from the Wage Decision					Training	Monthly Company Pd. Health Ins. Amount	Multiply by 12	Company Annual Limit	Divide by Annual Hours (2080, 2040, or 2000)	Equals or Hourly Value	Pension or whatever else	Total Fringe "Credit"	Cash Fringe Balance	QB ST Rate	QB OT Rate
		Base Rate	OT Rate	Total Fringe Rate	Total ST PLUS Fringe	Total OT PLUS Fringe											
John J. Equipment	Operating Engineer Group 2 - Heavy & Highway	65.19	97.79	32.93	98.12	130.72	1.21	450.00	12	5400.00	2040	2.65	10.00	13.86	19.07	84.26	116.86

Each Work classification and/or Work Classification/Payrate combination MUST have their own specific Payroll Wage Item in QuickBooks and the amounts in the QB ST Rate and QB OT rate amounts become your employees rates of pay in QuickBooks.

You'll need a payroll wage item for each of these specific classifications for Straight time (ST), Overtime (OT) and perhaps even Double-time (DT).

In CPS do the following:

- From the System Setup menu → choose Fringe Benefits & Special Withholding and click on each type of fringe that you contribute to and set them up as follows:
 - This fringe is paid by the employer
 - This amount is calculated by Certified Payroll Solution using the rate entered for each Payroll Wage Item
 - And, This contribution rate is entered for each Payroll Wage Item

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

Fringe Benefit & Special Withholdings Setup

SDI | Vacation | **Health & Welfare** | Pension | Training | Fund Admin | TRV/Subs | Savings | LCP Vacation

Name: ** Highly recommended that you NOT change this name.

Paid by Employee or Employer:

☒ This fringe is paid by the employer

☐ This is deducted from the employee's paycheck.

Calculation Method:

☐ This amount is derived from the QuickBooks paycheck.

☒ This amount is calculated by Certified Payroll Solution using the rate entered for each Payroll Wage Item.

☐ No calculation

For the "Audit Friendly Report"

☐ Add Employer Health Insurance contribution from each employee to this fringe.

☒ This contribution rate is entered for each Payroll Wage Item.

☐ This contribution rate is entered for each Work Classification.

Ok Cancel ?

- Next, go to System Setup → System Preferences → and click on the W/C Info + tab. Here you'll select the option to Enter Fringe Benefits by Employee.

System Preferences

Addresses | **W/C Info +** | Labels | Settings | Data Locations

Enter information if it is required on your forms.

Self-Insured Certificate #

W/C Policy Number

W/C Effective Date

W/C Expiration Date

Federal Employer ID # (FEIN)

DUNS #

Texas DOT Contractor ID (5 digit #)

Unemployment Insurance #

Prism User Name

☒ Save Prism Upload as XLSX file instead of XLS

☒ Enter Fringe Benefits by Employee

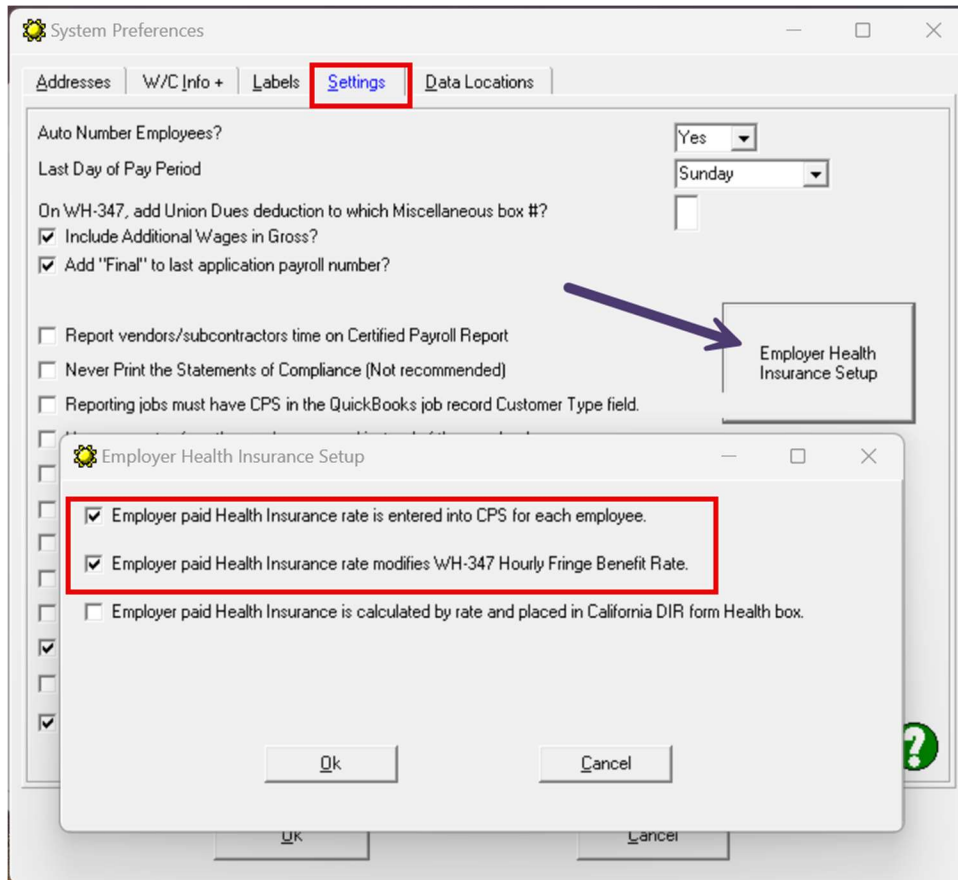
☐ On California DIH eLpr XML Upload use benefit rates, not total contributed.

☐ Print duplex Certified Payroll Reports

Ok Cancel ?

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

- BEFORE leaving System Preferences, click on the Setting tab. Here you'll click on the
 - Employer Health Insurance Set up button
 - And when the Employer Health Insurance Setup window appears, check the first two options
 - Employer Paid Health Insurance rate is entered into CPS for each employee, and
 - Employer paid Health Insurance rate modifies WH-347 Fringe Benefit Rate



Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

- During the Employee Reconciliation (if you're new) or later from Linked Data → Employees, you'll need your spreadsheet so you can enter the following rates for this employee
 - On the Miscellaneous tab - In the Empr Heath Benefit Rate box - enter the TOTAL Fringe Credit you're taking for this employee (from my example - 13.86)

The screenshot shows the "Employee Reconciliation" window. The "Miscellaneous" tab is selected and highlighted with a red box. The "Empr Health Benefit Rate" field is also highlighted with a red box and contains the value "13.86". Below this field, a red text instruction reads: "Enter the TOTAL hourly credit you're taking for this employee". Other fields include Name (Plan, Cash and), Local (None), EEOC Work Class (Equip. Opers.), Race (White), Federal Allowances (S), and Gender (Female). There are also checkboxes for ARRA Hire and Section 3, and a text area for eCPR Notes. At the bottom, there are "Ok" and "Cancel" buttons and a green question mark icon.

- Click on the Benefits Tab, and enter the hourly values of your fringes EXCEPT for the training fringe. (From my example that's 2.65 for Health & Welfare and 10.00 for Pension. Leave the Training rate blank - we'll enter that under the wage)

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

Employee Reconciliation

Plan, Cash and

Name: Plan, Cash and

Local: None [Edit Locals]

EEOC Work Class: Equip. Oper. [Edit Work Classes]

Race: White [Edit Races]

Federal Allowances: S

Gender: Female

Miscellaneous **Benefits**

Vacation Rate	
Health & Welfare Rate	2.65
Pension Rate	10.00
Training Rate	BLANK
Fund Admin Rate	
TRV/Subs Rate	
Savings Rate	
LCP Vacation Rate	

Enter the hourly fringe benefits you're taking credits for.

Leave the Training Fringe empty.

Ok Cancel ?

- During the Wage Reconciliation (if you're new) or from Linked Data → Wages, again you'll need your spreadsheet so you can enter the following amounts:
 - In the Cash Benefit Rate box - enter the TOTAL Fringe benefit rate from the Wage Decision
 - In the Training box - enter the hourly training contribution from the Wage Decision. We're entering the training fringe rate here because it is ALWAYS the same amount for this wage/classification combination.

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

Wage Reconciliation

Name: Cash & Plan-Balance in Cash

Work Classification: Operating Engineer Group 2 - Heavy & Highway

Cash Benefit Rate: 32.93

MyLcm Total Fringe Rate Paid by Employer:

Type of Wage: ☒ Straight Time ☐ Double Time ☐ Overtime ☐ Commission

Amounts from the Wage Decision

Work Class	Base Rate	OT Rate	Total Fringe Rate	Total ST PLUS Fringe	Total OT PLUS Fringe	Training
Operating Engineer Group 2 - Heavy & Highway	65.19	97.79	32.93	98.12	130.72	1.21

Training: 1.21

TRV/Subs:

LCP Vacation:

Vacation:

Pension:

Fund Admin:

Savings:

Ok Cancel

- During the Deduction Reconciliation (if you're new) or from Linked Data → Deductions, all the plan contribution items (Health Insurance, Pension, & Training in my example are set to Unused.

Deduction Maintenance

Name: Pension

☐ This is really an additional wage.

Type of Deduction/Contribution:

☐ Federal Withholding ☐ Fica

☐ Medicare ☐ State Withholding

☐ Union Dues ☐ Other Withholding

☐ Union Benefit ☒ Unused

☐ SDI

Type of Other WH:

☒ Not Applicable ☐ Union Dues / Taxable Vacation Deduction

☐ Child Support ☐ SDI

☐ Medical

Ok Cancel

Setting Up & Using the "Audit Friendly" version of the California A-1-131 Form

Your printed reports will look like this:

Federal WH-347 form

(3) WORK CLASSIFICATION	Overtime or Straight Time	(4) DAY AND DATE							(5) TOTAL HOURS	(6) RATE OF PAY/CASH FRINGES	(7) GROSS AMOUNT EARNED - THIS JOB/ALL JOBS	(8) DEDUCTIONS - BASED ON GROSS WAGES FOR ALL PROJECTS						(9) NET WAGES PAID FOR WEEK
		Mon	Tue	Wed	Thu	Fri	Sat	Sun				FWH	MCARE	FICA	STWH	OTHER	TOTAL DEDUCTIONS	
		11/6	11/7	11/8	11/9	11/10	11/11	11/12										
		HOURS WORKED EACH DAY																
Operating Engineer Group 2 - Heavy &	ST	8	8	8	8	8	0	0	40	\$65.19/\$19.07	\$ 3,370.40							
	DT	Verify this amount from your spreadsheet																
	OT										\$3,370.40	\$ 658.00	\$ 48.87	\$ 208.96	\$ 265.88	#1 \$ - #2 \$ - #3 \$ - #4 \$ 30.33	\$ 1,212.04	\$ 2,158.36

Audit Friendly form

(3)	(4) DAY							(5)	(6)	(7)		(8)										(9)						
	Mon	Tue	Wed	Thu	Fri	Sat	Sun			GROSS AMOUNT EARNED		TOTAL DEDUCTIONS, CONTRIBUTIONS AND PAYMENTS																
	DATE									TOTAL HOURS	HOURLY RATE OF PAY	THIS PROJECT	ALL PROJECTS															
	11/6	11/7	11/8	11/9	11/10	11/11	11/12																					
WORK CLASSIFICATION	HOURS WORKED EACH DAY																					NET WAGES PAID FOR WEEK						
Operating Engineer Group 2 Heavy & Highway	S	8	8	8	8	8	0	0	40	\$84.26			\$ 658.00	MCARE	\$ 48.87	FICA	\$ 208.96	ST TAX	\$ 265.88	SDI	\$ 30.33	VAC/HOL	\$ -	HEALTH/WEL	\$ 106.00	PENSION	\$ 400.00	
	D	Verify rate of pay from your spreadsheet									\$ 3,370.40	\$ 3,370.40	TRAINING	FUND ADMIN		DUES		TRV/SUBS		SAVINGS		OTHER		TOTAL DED		CHK NUM	\$ 2,158.36	
	O												\$ 48.40	EMPLOYER PAID FRINGE CONTRIBUTIONS/PLAN PAYMENT Rates THIS JOB ONLY			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,212.04		1073			
		Verify hourly fringe contributions from your spreadsheet											TRAINING	PENSION		TRV/SUBS		VAC/HOL		FUND ADM		SAVINGS		HEALTH/WEL		Total Rate		TOTAL \$
													\$ 1.21		\$ 10.00								\$ 2.65		\$ 13.86		\$ 554.40	

Verifying your report or troubleshooting the information:

You'll be relying on the spreadsheet you created

Audit Friendly Form

The rate of pay is the Hourly rate of pay from QB AFTER deducting Training, Pension, and Health Insurance contributions (refer to your spreadsheet)

The Training, Pension, and Health Insurance amounts in #8 Total Deductions, Contributions and Payments SHOULD match the totals from your QuickBooks paychecks for ALL contributions for all jobs.

The amounts in Employer Paid Fringe Contributions/Plan Payment Rates THIS JOB ONLY come from the hourly values you entered in Linked Data → Wages → FOR THE SPECIFIC PAYROLL WAGE ITEM used for this job/employee. (refer to your spreadsheet)

Total Rate block should equal the total fringe credit rate for this work classification (refer to your spreadsheet).

Total \$ equals the Total Rate multiplied by the number of hours on this project.

WH-347 form

The rate of pay/cash fringes amount should be the same amounts from your spreadsheet (Base rate and the CASH FRINGE Balance RATE).

The Training Fringe is NOT displayed on the WH-347 because it is ONLY concerned with the rate of fringes paid in **cash** to the employee as part of his/her hourly wage.