

Columbia EDP

PAYROLL/TAX SERVICES

(573)474-8431

DID YOU KNOW...

...we can offer you solutions for Time and Attendance using a time clock that imports into our payroll software?

...we can "mask" employee Social Security Numbers on paystubs and payroll reports to provide more security.

...we may be able to help lower your payroll mailing charges each pay period?

Call us

(573) 474-8431

“But What If...”

Any business should say those three words more than once during the year, and Columbia EDP is no exception. But what if we lose power for an extended period of time? But what if our internet connection is down? But what if a natural disaster destroys our main facility? What happens when we can't do what it is we do...until we can do it again?

Because Columbia EDP is very serious about protecting client information we are committed to keeping your payroll, tax and human resource information safe and secure. Columbia EDP maintains real time data synchronization with an off-site secure facility, which means the minute changes are made to our main production database servers, a copy of that information is sent to our offsite backup servers. Through working agree-

ments with Internet Services Group (ISG), we have a state of the art Disaster Recovery Facility that we can utilize to continue normal business operations with little to no downtime. We can literally walk in the door, start up the workstations and get straight to work with information that may only be minutes old.

This facility is located one hundred feet below ground and is fully equipped with phone, data and fax capabilities and is stocked with all of our necessary equipment and supplies. Columbia EDP wants to ensure that the only thing our clients notice is that there is nothing to notice. You will still be able to get your payroll information to us in the ways you are familiar with, email, fax, call in, or via our remote product software. We will be able to process it with the same efficiency and

security you have come to rely on.

In the event of a disaster, great plans mean nothing if everything falls apart because they have not been tested. Columbia EDP has a dedicated Disaster Recovery Team that reviews and physically tests our Disaster Recovery Plan every six months. We visit our underground facility, pull out our equipment and actually process payroll and tax payments from that location just to be confident that when it's needed we will be ready!

We have prepared extensively to protect your payroll, tax and human resource information and proved we can continue to provide services even in the aftermath of disaster. Trust Columbia EDP to manage this risk for you.



DO YOU HAVE 5 MINUTES FOR US?

We need your feedback! Please tear off this portion of the newsletter and fax in or send with your scheduled payroll information.

1. How do you prefer to communicate with Columbia EDP? Phone Fax Email
2. Do you have an interest in becoming more "paperless" with your payroll? Yes No
3. Does your organization need information on the following services? 401K Plan Information Workers Comp Pay Cards
Human Resource Info Tracking Time & Attendance
4. Would you be willing to provide your email address to receive emails regarding important updates of Columbia EDP services?
_____ (please print email address here)

HOW IMPORTANT IS A BIRTHDAY?

Because more and more states are requiring the birth dates be listed on New Hire Reports, our software will soon require this entry. Please be prepared to give us the birth date when you turn in a new employee. Additionally, existing employees with missing birth dates may need to be updated.

HEALTH SAVINGS ACCOUNTS

A Health Savings Account (HSA) for employees is a tax-exempt trust or custodial account that is set up with a qualified HSA trustee to pay or reimburse certain medical expenses.

What are the benefits of an HSA? An individual may enjoy several benefits from having an HSA.

- He/she can claim a tax deduction for individual contributions other than those made by an employer.
- Contributions to an HSA made by an employer (including contributions made through a cafeteria plan) may be excluded from gross income (and are thus FICA and Medicare tax exempt).
- Unused contributions will rollover in the individual's account from year to year, HSA's are not a "use it or lose it" proposition.
- The interest or other earnings on the assets in the account are tax free.
- Distributions may be tax free if used to pay qualified medical expenses.
- An HSA is "portable" so it stays with the individual if he/she changes employers or leaves the work force.

Please note that if an employee wants to set up an HSA deduction through payroll, it has to be an after tax deduction **unless** the employer has a cafeteria plan which allows for contributions to an HSA. Please see IRS Publication 969 at irs.gov for more information. If the employer makes a contribution to an employee's HSA, this is tax free and we can set this up as a memo earnings code which will print on the employee's pay stub. Employer contributions and employee contributions through a cafeteria plan will show up in box 12 of the employee's W-2 as code 12W.

EMPLOYERS MAY NOW SCAN AND SHRED RETURNED FORMS W - 2

Thanks to a victory spearheaded by the American Payroll Association's (APA) IRPAC representative Sam Kerch, CPP, CPA, employers can now scan and shred undeliverable Forms W-2. This new practice will allow employers to dispense with paper files and still preserve employee data in a more secure environment. Get the details and citation to the supporting IRS guidance. For more information you can go to the following website -

WE WANT TO HEAR FROM YOU!

Your opinion matters to us and we want to hear from you. We want you to use the space below to list any additional feedback or questions about the services Columbia EDP currently provides or that you would like to see provided. Be sure to tear off this portion of the newsletter and fax or send with your payroll information.
