How to Do Payroll Checklist

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| **Step** | **What To Do** | **Details** |
| **1** | Collect Employee Data | **Gather:** |
|  | Link to more information on New Hire Checklist |  employee name, address, zip code, tax withholdings (W-4), employment verification (I-9), pay rate, and employee’s employment status |
| **2** | Gather Hours Worked | **Determine:** |
|  |  |  hours worked per pay period, |
|  |  |  paid and unpaid breaks, |
|  | Link to more information on Timekeeping and Break time laws |  overtime |
| **3** | Calculate Gross Pay | **Multiply:** |
|  |  |  pay rate |
|  |  |  by hours worked |
|  |  | *Overtime is paid at 1.5x hourly pay* |
|  | Link to more information on Overtime Rules | *rate* |
| **4** | Process DeductionsLink to more information on Payroll Taxes or Employee Benefits | **Subtract:** employee deductions from gross pay |
| **5** | Provide Net Pay | **Pay employees with:** |
|  | Link to more information on Paystubs or Business Checking Accounts |  paper check or paystub, direct deposit, or pay card, and make sure to fund your payroll account! |
| **6** | Document Results | **Keep:** |
|  |  |  timecards, |
|  |  |  pay stubs and |
|  |  |  any pay change information |
|  | Link to more information on Payroll Record Retention | (raises or bonuses) |

