



# EZ-GARN

Installation and User's Guide

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# Chapter 1: Getting Started

## 1.1- EZ-GARN Overview

'EZ-GARN' program re-calculates garnishments for employees whose amount scheduled to come out of the check exceed the maximum allowed amount for the employee.

Dealing with wage garnishments has always been a tough task. There are a multitude of federal guidelines to follow, which could turn into an administrative nightmare. And the laws differ from state to state based on the type, which only complicates payroll processing. EZ-GARN comes with a solution. EZ-GARN comes with the "Automate Garnishment" feature, which has made life easier.

### Key Features:

- Prioritizes garnishments by state rules and regulations
- Calculates disposable income by state rules and regulations
- Applies your state's applicable maximum allowable deduction
- Applies the appropriate state rules if the employees does not have enough earnings
- Makes proper deductions based on state rules and regulations
- Imports information into Sage Abra payroll
- Garnishment output file created automatically according to federal guidelines
- Eliminates the need for manual calculations
- Produces comprehensive reports to show all current and year-to date garnishment information

## 1.2- Using this Guide

This user guide gives you a detailed description of how to install and use EZ-GARN in the following chapters:

**Chapter 1:** ['Getting Started'](#) - gives a brief description of the product

**Chapter 2:** ['Installation and Access'](#) - describes how to install EZ-GARN

**Chapter 3:** ['Product Registration'](#) - describes how to register EZ-GARN with Employee Based Systems

**Chapter 4:** ['Security Setup'](#) - describes how to configure security for users to access EZ-GARN

**Chapter 5:** ['EZ-GARN Setup'](#) - explains how to setup EZ-GARN

**Chapter 6:** ['Process'](#) - explains how to run EZ-GARN

[Appendix](#): gives contains examples for Minimum Wage setup

[FAQs](#): contains a list of Frequently Asked Questions and Answers

[Glossary](#): contains a list of terms and their definitions

# Chapter 2: Installation & Access

## 2.1- System Requirements

Before you install 'EZ-GARN' in Sage Abra application, you need to see whether your system has the following requirements:

1. **Sage Abra software version 7.X:** The EZ-GARN application is installed inside Sage Abra and can be installed from any workstation that runs Abra or has Abra installed. This makes it simple for the end-user to install any of the '**EZ applications**' from '**Employee Based Systems**'

**Note:** The only requirement is that no user should be inside Abra at the time of install.

2. **Installation Requirements for Workstation Configuration:**

- Microsoft® Windows 2000 or Windows XP Professional and Sage Abra HRMS
- Pentium processor 266MHz or higher  
Recommended: 400MHz or higher
- RAM 128MB  
Recommended: 256MB or higher
- 500MB of hard disk space
- SVGA color monitor
- 100Mbps network card for network installations (10Mbps minimum)
- Internet access using Internet Explorer Version 5.0 or higher

3. **Installation Requirements for Program and Database Server Configuration:**

- Windows 2000 Server, Windows Server 2003 or Novell NetWare 6.5 or higher
- Pentium or Pentium PRO processor 1.3 GHz or higher  
Recommended: 2 GHz or higher
- RAM 256 MB  
Recommended: 512MB or higher
- 4+ GB hard disk  
Recommended: 8 GB hard disk
- 100Mbps network card, data hub and cabling
- CD-ROM drive plus 3.5" disk drive
- SVGA color monitor
- Streaming tape or other backup device
- Uninterruptible Power Supply (UPS)

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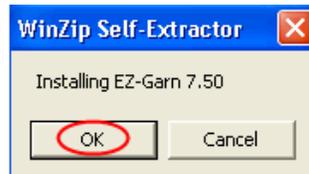
### 4. Compatible Networks:

- Novell Netware 6.5 or higher
- Microsoft Networks
- Microsoft Windows Terminal Server

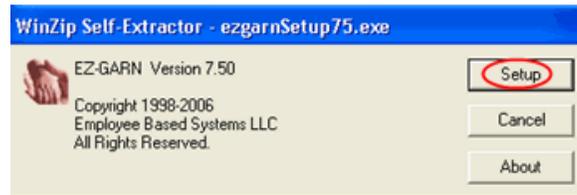
**Note:** The above configuration recommendations are guidelines. Actual memory and hard drive requirements may vary based on the number of simultaneously running applications, simultaneous network users and amount of data being processed. You should periodically monitor and optimize Sage Abra workstation, server and network resource utilization using operating system utilities.

## 2.2- Install EZ-GARN

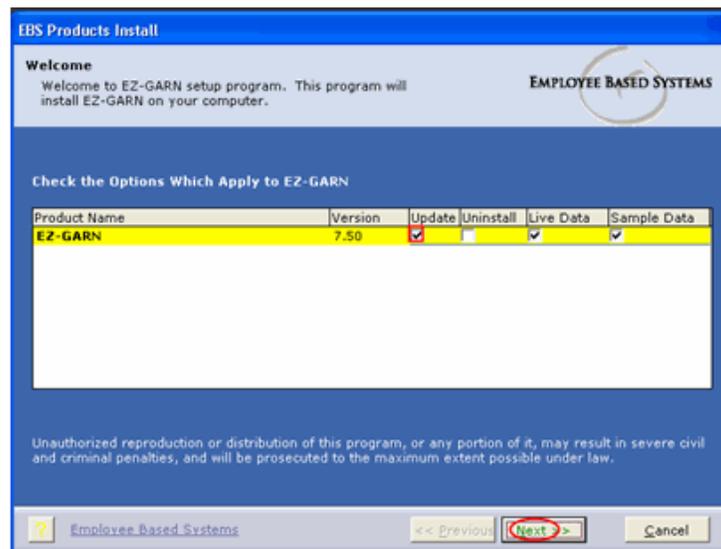
1. Double click on the '**Installation Executable**' that is provided either through the download page from <http://www.getebs.com/> website or from your CD
2. EZ-GARN installation wizard pops-up, click on '**OK**' button to continue



3. Click on '**Setup**' button to continue



4. Next, '**EBS Products Install**' screen appears



Following information is displayed under this screen:

Field Label	Field Descriptions
Install/Update	If ' <b>EZ-GARN</b> ' is a new install, this option will read 'Install'. If ' <b>EZ-GARN</b> ' is already installed, the label displays as 'Update'
Live Data	Select this option to work with Live or Real Time Data.
Sample	Select this option to work with Sample data.
Uninstall	Select ' <b>Uninstall</b> ', if the product is already installed and you wish to remove it from your system.

5. Once you select the check boxes labeled '**Install/Update**', '**Live Data**' and '**Sample Data**', then click the '**Next**' button to continue
6. '**EBS License Agreement**' dialog box appears

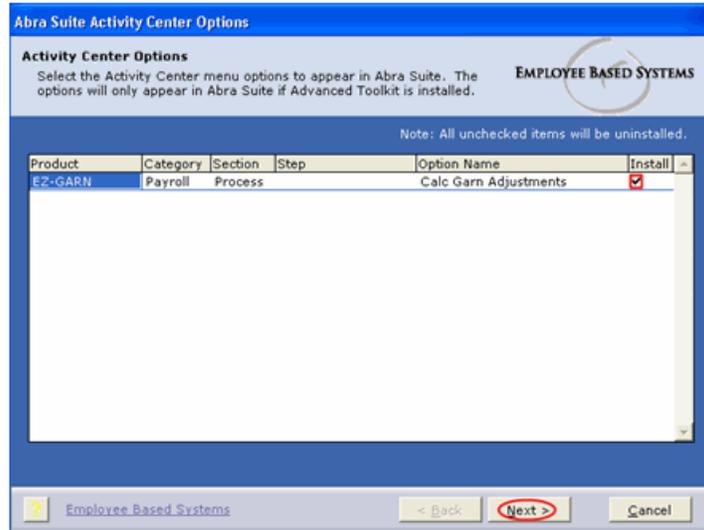


7. Select the checkbox to accept the '**License Agreement**', then click on the '**Next**' button

**Note:** To read the Software License Agreement in detail, refer the '**Software License**' page of the EZ-GARN User Manual.

8. If you have Sage Abra '**Advanced Toolkit**', the following screen is displayed

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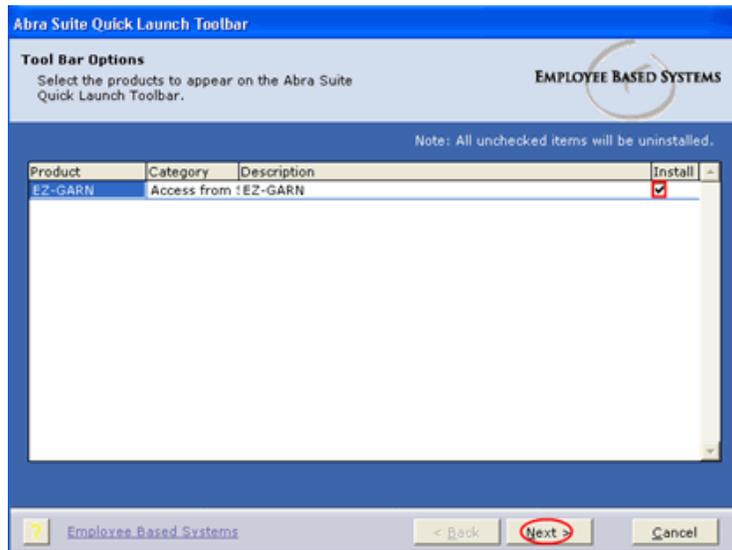
Following is the information displayed under this screen:

Field Label	Field Descriptions
Product	Product Name - ' <b>EZ-GARN</b> '.
Category	Tells you under which Abra product the task is installed, once it is inside Sage Abra.
Section	Indicates what type of activity the task is.
Step	This column shows how the step name appears in Sage Abra task menu (if applicable).
Option Name	This column shows how the task name (' <b>Calc Garn Adjustments</b> ') appears in the Sage Abra 'Activity Center'.

9. Select the '**Install**' checkbox and click on the '**Next**' button

**Note:** You will get this screen if you have the '**Advanced Toolkit**' installed. If you do not have the Advanced Toolkit installed, you can still access EZ-GARN under **EBS Programs** Quick Launch option. For more information on the Advanced Toolkit, please contact your Abra reseller.

10. Once you click on the '**Next**' button, 'Quick Launch' toolbar dialog box is displayed



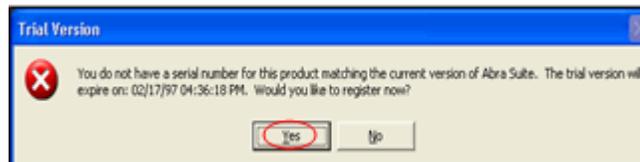
11. Select the '**Install**' checkbox and then click on the '**Next**' button. This step creates a shortcut for '**EZ-GARN**' inside Sage Abra under a selection button called '**EBS**'
12. Your installation is complete, click on the '**OK**' button



# Chapter 3: Product Registration

## 3.1- Register EZ-GARN

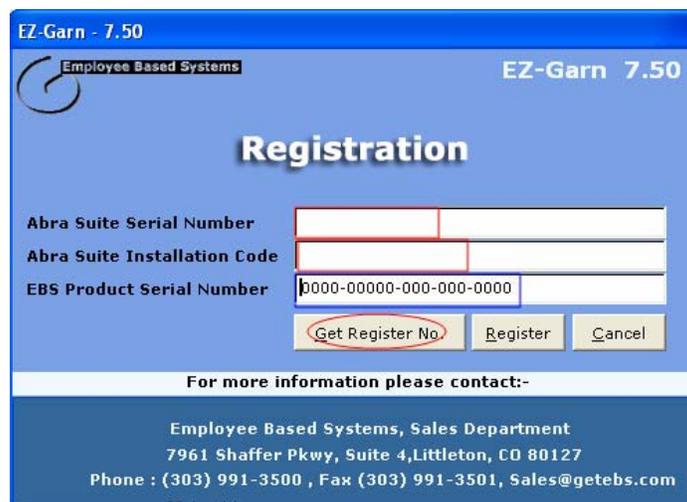
Once EZ-GARN is installed in your system, you are automatically given a **30** day full evaluation program period for your software. During this period, whenever you use EZ-GARN the following message is displayed, asking whether you would like to register or not the product at that time.



1. Click on '**Yes**' button to register your software or click the '**No**' button to use the '**Trial Version**'

**Note:** EZ-GARN will no longer function after the trial period expires. Please contact '**EBS**' or your reseller to receive your registration key.

2. Once you click on the '**Yes**' button, the '**Registration**' screen appears



3. Enter '**Abra Serial Number**' and '**Installation Code**'

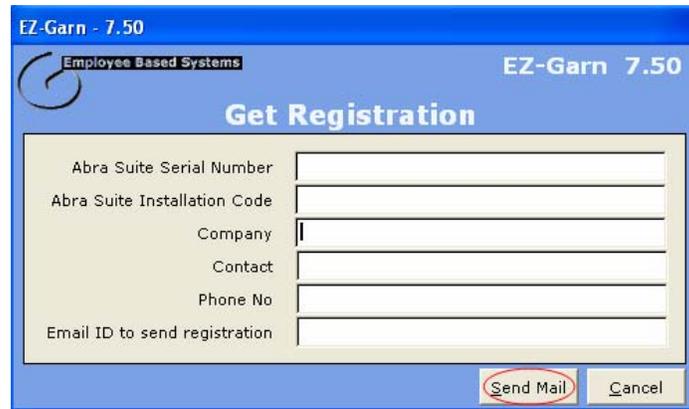
**Note:** To view Abra Serial Number and Installation Code, go to **Help>>About Abra >>Installed Products**.

4. Enter appropriate '**EBS Product Serial Number**' to register and click the '**Register**' button

**Note:** To get the product serial number for the EZ-GARN application, you may either contact your reseller or '**EBS**' at 303-991-3500.

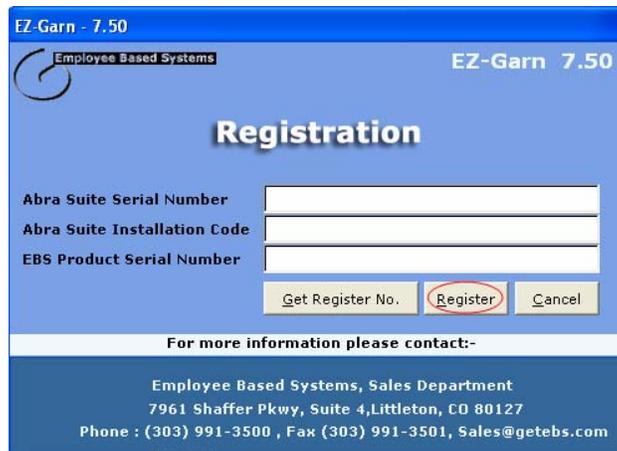
5. Click on the '**Get Register No.**' button to send an e-mail to EBS to get your product serial number
6. The '**Get Registration**' screen appears

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The screenshot shows the 'Get Registration' window in EZ-Garn 7.50. The window title is 'EZ-Garn - 7.50' and the top right corner says 'EZ-Garn 7.50'. The main heading is 'Get Registration'. Below the heading are several input fields: 'Abra Suite Serial Number', 'Abra Suite Installation Code', 'Company', 'Contact', 'Phone No', and 'Email ID to send registration'. At the bottom right, there are two buttons: 'Send Mail' (circled in red) and 'Cancel'.

7. Enter details of your **'Company'**, **'Contact'**, **'Phone No'** and **'Email ID'** in the appropriate fields
8. Click on the **'Send Mail'** button, an EBS representative will get back to you with a serial number
9. Once you receive your product serial number, enter **'EBS'** product serial number in the **'Registration'** screen



The screenshot shows the 'Registration' window in EZ-Garn 7.50. The window title is 'EZ-Garn - 7.50' and the top right corner says 'EZ-Garn 7.50'. The main heading is 'Registration'. Below the heading are three input fields: 'Abra Suite Serial Number', 'Abra Suite Installation Code', and 'EBS Product Serial Number'. At the bottom, there are three buttons: 'Get Register No.', 'Register' (circled in red), and 'Cancel'. Below the buttons, there is a section titled 'For more information please contact:-' with the following text: 'Employee Based Systems, Sales Department', '7961 Shaffer Pkwy, Suite 4, Littleton, CO 80127', and 'Phone : (303) 991-3500 , Fax (303) 991-3501, Sales@getebs.com'.

10. Now click on the **'Register'** button to register your software

# Chapter 4: Security Setup

After EZ-GARN is installed, all tasks are automatically added to the 'Master' User Group in Abra Group Security. If a user is assigned to a group different from 'Master Group', you must then assign access to EZ-GARN for that group to show up as an option for the user.

The Security feature of EZ-GARN is based on 'Sage Abra Group Security' feature.

**Note:** Security setup for EZ-GARN depends on whether Sage Abra has 'Advanced Toolkit' installed or not.

## 4.1- Security Setup with Advanced Toolkit

### Steps:

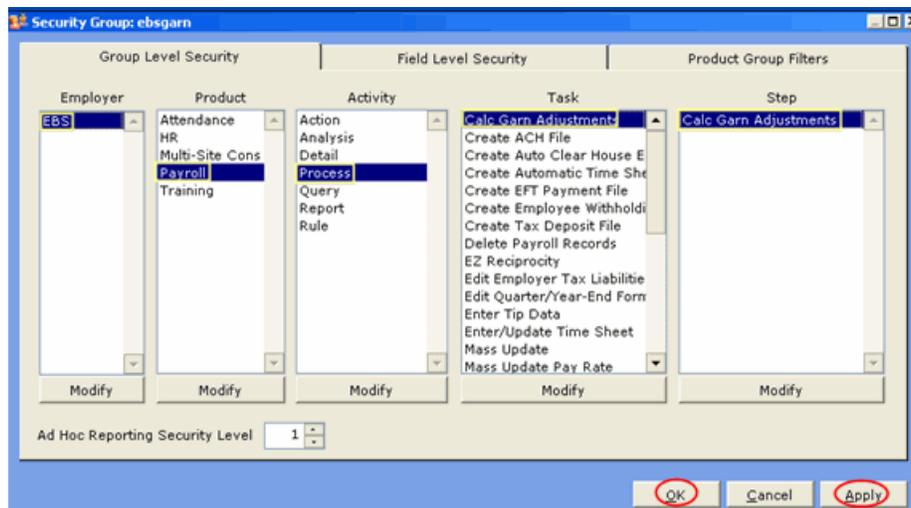
1. In 'Sage Abra' program, on the Activity Center; click **System>> Rules>>Group Security**
2. The following screen displays a list of security groups that are already defined



3. Click on the 'More' button to install 'EZ-GARN' option for security groups that are predefined

**Note:** To add additional security groups, click on the 'Add' button and follow the steps as explained in the Sage Abra Training Manual.

4. In the following screen, you will define security access for EZ-GARN with 'Advanced Toolkit'



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5. Select relevant information in this screen

Employer	Product	Activity	Task	Step
Appropriate company (in this example as 'EBS')	'Payroll' option	'Process' option	'Calc Garn Adjustments' option	'Calc Garn Adjustments' option

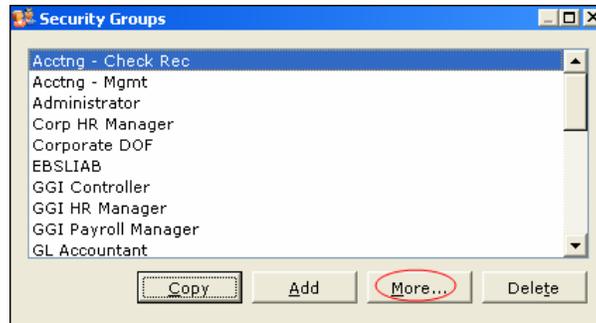
6. Click on the '**Apply**' button and then the '**OK**' button to finish the task

Now, the user who belongs to selected 'Security Group' can access EZ-GARN with Advanced Toolkit under **Payroll>> Process>>Calc Garn Adjustments**

## 4.2- Security Setup without Advanced Toolkit

### Steps:

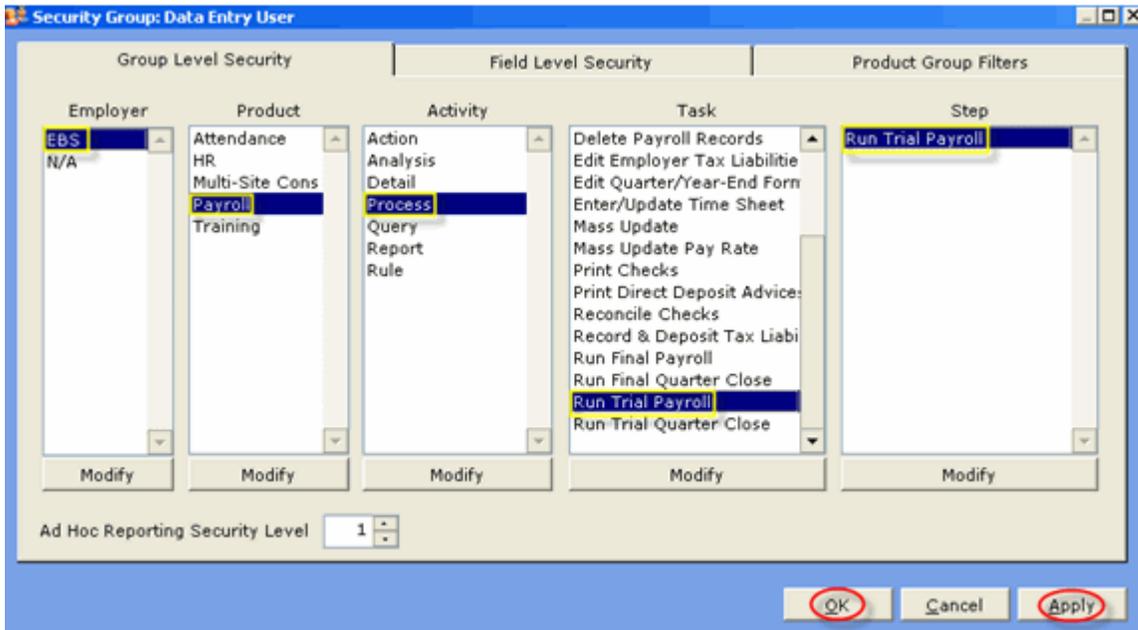
1. In '**Sage Abra**' program, on the Activity Center; click **System>> Rules>>Group Security**
2. The following screen displays a list of security groups that are already defined



3. Click on the '**More**' button to install 'EZ-GARN' option for security groups that are predefined

**Note:** To add additional security groups, click on the '**Add**' button and follow the steps as explained in the Sage Abra Training Manual.

4. In the following screen, you will define security access for EZ-GARN without '**Advanced Toolkit**'



5. Select relevant information in this screen

Employer	Product	Activity	Task	Step
Appropriate company (in this example as 'EBS')	'Payroll' option	'Process' option	'Run Trial Payroll' option  <b>Note:</b> For 'EZ-Tip' users, select ' <b>Tip Trial Close</b> ' option.	'Run Trial Payroll' option

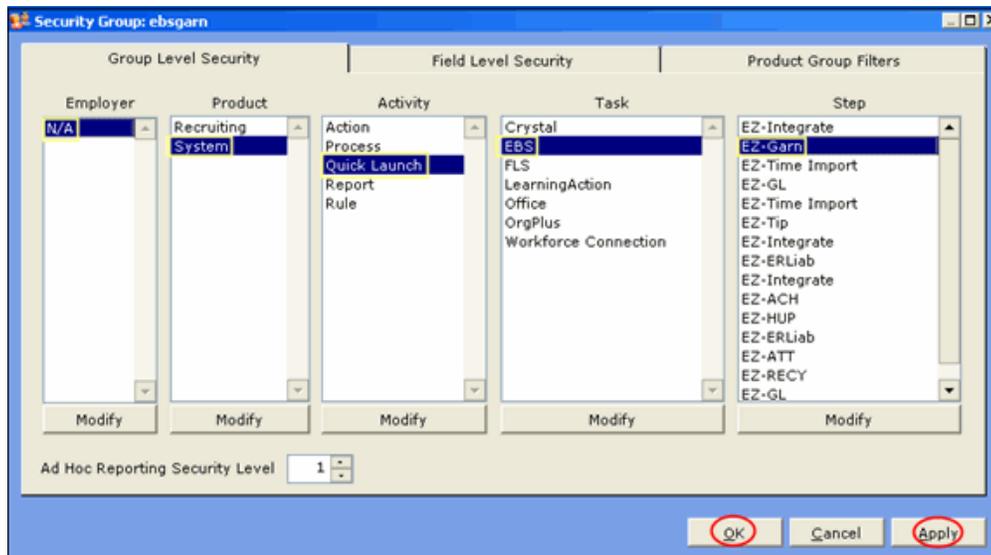
6. Click on the 'Apply' button and then the 'OK' button to finish the task

Now, the user who belongs to the selected 'Security Group' can access EZ-GARN without Advanced Toolkit under **Payroll>>Process>>Run Trial Payroll**

7. In the following screen, you will define 'Quick Launch' option for 'EZ-GARN'

**Note:** 'N/A' is selected for Quick Launch option.

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8. Select relevant information in this screen

Employer	Product	Activity	Task	Step
'N/A' option	'System' option	'Quick Launch' option	'EBS' option	'EZ-Garn' option

9. Click on the **'Apply'** button and then the **'OK'** button to finish the task

Now, the user who belongs to the selected 'Security Group' can access EZ-GARN under 'EBS' programs quick launch tool bar.

# Chapter 5: EZ-GARN Setup

## 5.1- Setup of Deduction Codes

Garnishments are set-up as a 'Deduction Code'. There are two types of Garnishments:

1. Credit Garnishments
2. Child Support

As a general rule, EZ-GARN calculates Credit Garnishments and Child Support based on the Federal Law guidelines; **25%** for Credit Garnishments and **50%** for Child Support.

### State Specific Rules:

1. For Illinois, the max Credit garn rate is 15% of Disposable Earnings or 45% minimum wage
2. For Ohio, if multiple garnishments come out of the check, the program averages the amounts based on original percentages

**Note:** If your state specific rules are not defined in this manual, please contact your Reseller or EBS about specific setup.

### Steps to set-up Garnishment Code:

1. In Sage Abra program, go to **Payroll>>Rules>> Deduction Codes**; select appropriate '**Deduction Code**' and click on the '**More**' button
2. In the following screen, select '**Creditor Garnishment**' option from the '**Deduction Type**' dropdown list
3. Select '**No**' option for '**Automatic Allocation**' field to setup a garnishment code

The screenshot shows the 'Deduction Codes Detail - Enterprise' window. At the top, the 'Code' is 1006 and the 'Description' is 'Garnishment \$'. Below this are four tabs: 'General', 'Employer Match', 'Earnings Basis', and 'General Ledger'. The 'General' tab is active. In the 'General' section, the 'Deduction Type' dropdown is set to 'Creditor Garnishment'. Other fields include 'Withholding Cycle' (W/h all Periods, Ex), 'Calculation Rule' (Flat Amount), 'Standard Deduction' (0.0000), 'Deduction Goal' (9999999.99), 'Annual Compensation Limit' (9999999.99), and 'Withholding Priority' (10). On the right side, there are several radio button options: 'Accumulate Arrears' (No), 'Deduct Arrears When Inactive' (No), 'Withhold In All Checks' (No), 'Automatic Setup' (No), 'Automatic Allocation' (No), and 'Automatically Reset Balance Amount at Year End' (No). At the bottom, there are buttons for 'Previous', 'Next', 'OK', 'Cancel', and 'Apply'.

3. Click on '**Employer Match**' tab to indicate whether deduction code is 'Child Support' or 'Credit Garnishment'

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The screenshot shows the 'Deduction Codes Detail - Enterprise' window with the 'Employer Match' tab selected. The 'Code' field contains '1006' and the 'Description' field contains 'Garnishment \$'. The 'Employer Match' tab is active, showing the following fields:

- HR Benefit Code:** [Not Linked] (dropdown menu)
- Dollar/Percent Match:** Amount (dropdown menu)
- Employer Match:** 0.00 (text input)
- Employer Max Contrib:** 215.00 (text input)
- Always Compute Employer Match in Payroll

Buttons at the bottom include 'Previous', 'Next', 'OK', 'Cancel', and 'Apply'.

**Note:** 'Not Linked' option must be selected in 'HR Benefit Code' field, before you setup a garnishment code. The garnishment program uses 'Dollar/Percent Match' field to indicate whether deduction code is 'Child Support' or 'Credit Garnishment'.

4. If the garnishment is for 'Child Support', select '**Amount**' option from the '**Dollar/Percent Match**' dropdown list

OR

5. If the garnishment is for 'Credit Garnishment', select '**Annual Amount**' option from the '**Dollar/Percent Match**' dropdown list
6. In '**Employer Max. Contrib**' field, enter maximum % of Disposable Pay (for example: **215**), the employee can contribute for a particular garnishment
7. Now click on '**Earnings Basis**' tab to select appropriate 'Earnings Code' for which the garnishment is being set for

**Note:** When you set up a new Garnishment code, you need to define for which Earnings and Deductions, the garnishment code is being set for.

The screenshot shows the 'Deduction Codes Detail - Enterprise' window with the 'Earnings Basis' tab selected. The 'Code' field contains '1006' and the 'Description' field contains 'Garnishment \$'. The 'Earnings Basis' tab is active, showing the following fields:

- Available Earnings:** List of earnings codes including 0010 - Bonus - Direct, 0011 - Jury Duty-Direc, 0012 - Unpaid Vacation, 0013 - Regular Bonus, 0014 - Training, 1001 - Reg Pay-Nondir, 1002 - OT Pay-Nondir, 1003 - Not Used 1003, 1004 - Vac Pay-Nondir, 1005 - Sick Pay-Nondir, 1006 - Shift Prem-Nond, 1007 - Bereav-Nondir.
- Selected Earnings:** List of earnings codes including 0001 - Reg Pay-Direct, 0002 - OT Pay-Direct, 0003 - DT Pay-Direct, 0004 - Vac Pay- Direct, 0005 - No Fault Hours, 0006 - Shift Prem-Dir, 0007 - Bereav-Direct, 0008 - Holiday-Direct, 0009 - Retro Pay-Direc.
- Buttons: Select >, Select All >>, < Remove, << Remove All.

Buttons at the bottom include 'Previous', 'Next', 'OK', 'Cancel', and 'Apply'.

8. Select appropriate 'Earnings Code' from '**Selected Earnings**' list box and click on '**Apply**' and '**OK**' buttons to complete the setup

## 5.2- Setup for Garnishment Arrears

Specific restrictions apply to court orders for child support or alimony. The garnishment law allows up to 50 percent of a worker's disposable earnings to be garnished for these purposes, if the worker is supporting another spouse or child, or up to 60 percent, if the worker is not. An additional 5 percent may be garnished for support payments more than 12 weeks in arrears.

To setup arrears, you need to define a new tax code called '**GARN**' in the Tax Code system.

**Note:** This code needs to be linked to a State that does not require state income tax withholding. This is only for setup and State defined has no effect on payroll processing.

Below is a list of states that do not require state income tax withholding:

1. Alaska
2. Florida
3. Nevada
4. New Hampshire
5. South Dakota
6. Tennessee
7. Texas
8. Washington
9. Wyoming

### **Steps to setup Garnishment Arrears:**

1. In Sage Abra program, go to **Payroll>>Rules>>Tax Codes**. To setup the new tax code 'GARN', click on the '**Add**' button and follow the same steps explained in Sage Abra Training Manual

**Note:** You must enter the code exactly as shown in the screenshot below, i.e. 'GARN'. Remember that you need to set the first tax code as '**GARN**'. The remaining codes set for garnishment arrears must begin with the term '**GAR**', for example: GAR1, GAR2, etc.

2. Select tax code 'GARN', click on the '**More**' button and select '**No**' option for '**Automatic Allocation**' field to setup garnishment arrears

## EZ-GARN Installation and User's Guide

**Tax Codes Detail - Employee Based Systems**

Code: **GARN** Description: **Garnishment Arrears**

General | Taxable Earnings | Pre-Tax Deductions | General Ledger

Tax Table ID: **FL FLORIDA STATE** Auto Add Tax Code:  Yes  No

Tax Type: **State** Automatic Allocation:  Yes  No

Employer Rate: **0.000000** Time Sheet Work Code:  Yes  No

Employer SDI: **0.000000**

State Reporting ID:

SUTA Reporting ID:

Tax Filing Code:

Previous Next **OK** Cancel Apply

2. To add tax code 'GARN' to a particular employee, go to **Payroll>>Details>>Tax>>Withholdings** and select appropriate employee (for example: Employee ID:100001)

**Tax Withholdings - Employee Based Systems**

Employee: **Michael M Knight** ID Number: **100001**

Status: **Active Employee 01/01/1994**

EIC Filing Status: **Not Eligible** Statutory:  Yes  No

Time Sheet Work Code: **MI - Michigan** Seasonal:  Yes  No

Withholding Priorities...

Pension Plan:  Yes  No

Code	Description	Filing Status	Exempts	Category	Status	Extra Tax
+ FED	Federal Income Tax	Single	1.00		Active	0.00
+ FMED	Federal Medicare Tax	Married	2.00		Active	0.00
+ FSOC	Federal Social Security	Married	2.00		Active	0.00
+ FUTA	FED UNEMPLOYMENT II	Married	2.00		Active	0.00
+ <b>GARN</b>	<b>Garnishment Arrears</b>	<b>Married</b>	<b>60.00</b>		<b>Active</b>	<b>215.00</b>
+ MI	Michigan	Single	1.00	Both	Active	0.00
+ MIUI	MI UNEMPLOYMENT INS	Married	2.00		Active	0.00

Detail Button

Add More... Delete OK Cancel Apply

3. Click on the 'Detail' button next to the 'GARN' tax code and enter relevant information in the following screen

**Taxes for Michael M Knight**

Tax Code: **GARN - Garnishment Arre** Extra Tax: **215.00**

Filing Status: **Married** Extra Tax Type:

Exemptions: **60** Exempt:  Yes  No

Other Exemptions: **0**

Category:

Status: **Active**

Previous Next **OK** Cancel Apply

4. Enter override value for Arrears in 'Exemptions' field (for example: '60%')

5. Enter additional tax amount (for example: '215') the employee authorizes to withhold each pay period in 'Extra Tax' field

**Note:** The value in 'Extra Tax' field must be the same as the one entered for 'Employer Max Contrib' field in 'Deduction Codes' setup screen (Refer section [5.1- Setup of Deduction Codes](#) for more information). If value entered in 'Extra Tax' field is 'Ø' (null), then it defaults to all garnishment codes with 'Ø' value automatically.

6. Now click on the 'OK' button to finish the task

Code	Description	Filing Status	Exempts	Category	Status	Extra Tax
+ FED	Federal Income Tax	Single	1.00		Active	0.00
+ FMED	Federal Medicare Tax	Married	2.00	Override Value	Active	0.00
+ FSOC	Federal Social Security	Married	2.00		Active	0.00
+ FUTA	FED UNEMPLOYMENT II	Married	2.00		Active	0.00
+ GARN	Garnishment Arrears	Married	60.00		Active	215.00
+ MI	Michigan	Single	1.00	Both	Active	0.00
+ MIUI	MI UNEMPLOYMENT IN	Married	2.00		Active	0.00

**Note:** If no override value is put in or the employee does not have the 'GARN' tax code, then the program calculates at the maximum limit of 50% for 'Child Support'.

## 5.3- Minimum Wage Setup

The Federal Law sets the maximum amount that may be garnished in any workweek or pay period, regardless of the number of garnishment orders received by the employer. For ordinary garnishments (i.e., those not for support, bankruptcy, or any state or federal tax), the weekly amount may not exceed the lesser of two figures: 25 percent of the employee's disposable earnings, or the amount by which an employee's disposable earnings are greater than 30 times the federal minimum wage (currently \$5.15 an hour).

**For Example:** If the pay period is weekly and disposable earnings are \$154.50 ( $\$5.15 \times 30$ ) or less, there can be no garnishment. If disposable earnings are more than \$154.50 but less than \$206.00 ( $\$5.15 \times 40$ ), the amount above \$154.50 can be garnished. A maximum of 25 percent can be garnished, if disposable income earnings are \$206.00 or more. When pay periods cover more than one week, multiples of the weekly restrictions must be used to calculate the maximum amounts that may be garnished. For more examples on 'Amounts Subject to Garnishment based on the \$ 5.15 an hour minimum wage', refer [Appendix](#)

**Note:** To setup Minimum Wage for Garnishment you need to add a custom Tax table called 'EZ-GARN SETUP' to custom code tables.

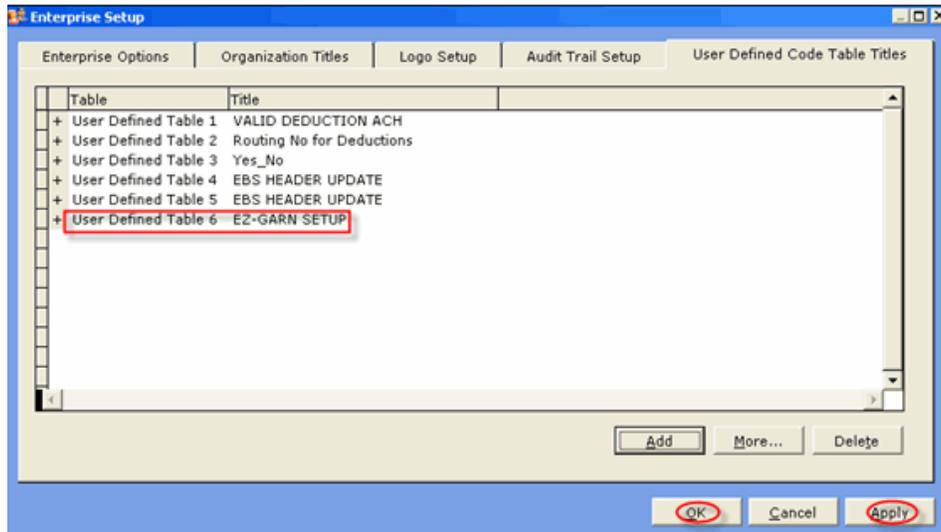
### Steps for Minimum Wage setup:

1. In 'Sage Abra' program, go to **System >> Rules >> Enterprise Setup** and click on 'User Defined Code Table Titles' tab

## EZ-GARN Installation and User's Guide

- To add the custom table 'EZ-GARN SETUP', click on the 'Add' button and go into that detailed screen and add this table

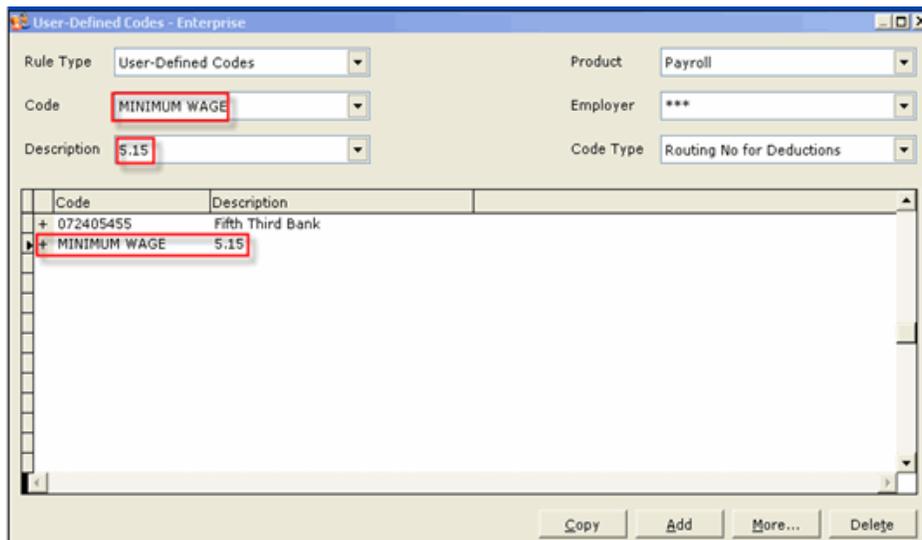
**Note:** You must enter the custom table exactly as shown in the screenshot below, i.e. 'EZ-GARN SETUP'.



**Note:** EZ-GARN calculates garnishments based on the Federal Minimum Wage guideline. If you want EZ-GARN to calculate garnishments based on this minimum wage calculation, you need to add the code 'MINIMUM WAGE' in the 'User-Defined Codes' screen. If you do not add this code, EZ-GARN will only calculate based on 25% of disposable earnings.

- Now, go to **Payroll>>Rules>>User Defined Codes**
- To add the code 'MINIMUM WAGE', click on the 'Add' button and go into that detailed screen and define this code

**Note:** You must enter the code exactly as shown in the screenshot below, i.e. 'MINIMUM WAGE'.



**Note:** If the Federal law changes the Minimum Wage value (\$ 5.15), then EZ-GARN does not update the new value, you need to manually update it.

## 5.4- Loans Setup

EZ-GARN also tracks payback of loans. It adjusts the LOAN owed to the company based on the following:

- I. Earnings Code Loan
- II. Deduction Code Loan

### 5.4.1- Earnings Code Loan

Calculation is based on the employees YTD (year to date) amount. If the employee has an amount paid YTD, it then pays back and reduces the value.

#### Steps to setup 'Earnings Code Loan':

1. In Sage Abra, go to **Payroll>>Rules>>Earnings Code**, click on '**Add**' button to create 'Earnings Code Loan'

The screenshot shows the 'Earnings Codes Detail - Enterprise' window. The 'Code' field is set to 'LOAN'. The 'General' tab is selected. The following fields are highlighted with red boxes:

- Earnings Category:** Reimbursements
- Earnings Type:** Not Pay (Reimburse)
- Unit of Pay:** LOANS

Other visible fields include: Check Group (1), Pay Cycle (Pay 1st and 3rd Peri), and Taxation Method (Use Regular Tax Ra).

2. Enter relevant information in this screen
  - Select '**Earnings Category**' option as '**Reimbursements**'
  - Select '**Earnings Type**' option as '**Not Pay (Reimbursements)**'
  - Select '**Unit of Pay**' option as '**LOANS**'

The screen below is an example for 'Earnings Code Loan':

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Display Type <input checked="" type="radio"/> Earnings <input type="radio"/> Taxes <input type="radio"/> Deductions										
Code	Description	Mtd Hours	Qtd Hours	Ytd Hours	Mtd Amount	Qtd Amount	Ytd Amount	Goal	Balance	
0001	Regular Pay	0.0000	0.00	512.00	0.00	0.00	16742.37	0.00	0.00	
0004	Vacation	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
0005	Illness Pay	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
LOANS	Earnings Code Loan	0.0000	0.00	8.00	0.00	0.00	261.60	0.00	0.00	
0012	Excess Life	0.0000	0.00	0.00	0.00	0.00	39.58	999999.99	99960.41	
0013	Miscellaneous	0.0000	0.00	0.00	0.00	0.00	735.00	999999.99	99264.99	
0016	Personal Leave	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
0020	Supplemental-M	0.0000	0.00	0.00	0.00	0.00	59.37	9999999.99	99940.62	
0250	Excess Stock	0.0000	0.00	0.00	0.00	0.00	4500.00	9999999.99	9935499	

### 5.4.2- Deduction Code Loan

EZ-GARN calculates the loan, if the employee has any balance owed in Deductions.

**Note:** Standard Deduction amount must be **0.0015**. This is the setting done in EZ-GARN by which the loan is calculated.

#### Steps to setup 'Deduction Code Loan':

1. In Sage Abra, go to **Payroll>>Rules>>Deduction Code**, click on 'Add' button to create 'Deduction Code Loan'
2. Once you add a 'Deduction Code Loan', select it and click on the 'More' button

Code: LOAN      Description: Deduction Loan

**General**      Employer Match      Earnings Basis

Deduction Type: Regular Withholdin

Withholding Cycle: W/h 1st and 3rd Pe

Calculation Rule: Flat Amount

Standard Deduction: 0.0015

Deduction Goal: 100000.00

Annual Compensation Limit: 9999999.99

Withholding Priority: 1

*This is the setting done in EZ-GARN by which the loan is calculated*

*If the Deduction Goal=100,000.00, EZ-GARN calculates deduction loans based on the value entered in the Amount field in the Deduction screen. Otherwise, if Deduction Goal is not equal to 100,000.00 it calculates based on the value displayed in the Employee Balance column as shown in the screen shot below*

2. Enter relevant information in this screen
  - Select 'Deduction Type' option as 'Regular Withholdings'
  - Select 'Standard Deduction' option as '0.0015'
  - Select 'Deduction Goal' option as '100,000'
3. Now click on the 'OK' button to finish the task

**Note:** If the Deduction Goal=**100,000**, EZ-GARN calculates deduction loans based on the value entered in the 'Amount' field in the 'Deductions' page. If Deduction Goal **≠100,000**, it calculates based on the value displayed in 'Employee Balance' column as show in the screen shot below, i.e., '8500.00'.

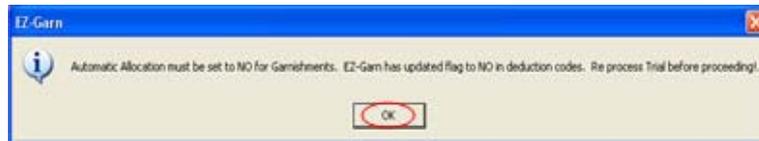
The screen below is an example for 'Deduction Code Loan':

Display Type <input type="radio"/> Earnings <input type="radio"/> Taxes <input checked="" type="radio"/> Deductions									
Code	Description	Mtd Amount	Qtd Amount	Ytd Amount	Goal	Balance	Annual Comp Limit	Annual Comp	
0001	401(k) %Plan	0.00	0.00	1773.90	13000.00	11226.10	999999.99	999999.99	
0050	Dental Plan	0.00	0.00	0.00	999999.99	999999.99	999999.99	999999.99	
0051	HMO Medical	0.00	0.00	214.15	999999.99	9999785.84	999999.99	999999.99	
0053	Prescriptions	0.00	0.00	9.69	999999.99	9999990.30	999999.99	999999.99	
0056	AD&D	0.00	0.00	11.42	999999.99	9999988.57	999999.99	999999.99	
LOAN	Deduction Code Loan	0.00	0.00	450.00	9000.00	8550.00	999999.99	999999.99	
457B	457b non elect	0.00	0.00	450.00	13000.00	12550.00	999999.99	999999.99	
501C	501(c)(18)(D)	0.00	0.00	105.00	11000.00	10895.00	999999.99	999999.99	

# Chapter 6: Process

## 6.1- Steps to process EZ-GARN

1. Once you finish setup for EZ-GARN, go to **Payroll>>Processes>>Run Trial Payroll** to run the 'Trial Payroll' process; the following screen is displayed



2. Click on the 'OK' button to reprocess 'Trial Payroll Process'
3. Once the 'Trial Payroll Process' is over, click on **EBS** selection button and select 'EZ-GARN' to calculate correct Garnishment adjustments

**Note:** If you have the Advanced Toolkit installed in Sage Abra, you can select 'EZ-GARN' program to calculate correct Garnishment adjustments in **Payroll>>Process>>Calc Garn Adjustments**.

4. EZ-GARN identifies whether it is a '**Credit Garnishment**' or '**Child Support**' for those employees that have these codes
2. It calculates the correct Wage Base based on the 'Earnings Basis' mentioned
3. It calculates the % of Garn by taking **amount /wage base**. If this amount is greater than the max. allowed for the employee, it then limits the amount to maximum allowable
4. **Report:** After calculating Garnishment Adjustment, EZ-GARN generates an audit report as shown below:

**Note:** This report is only for employees whose amount has changed ('NEW AMT' column).

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100%

EMPLOYEE NAME	ID	PAY GROUP	ORDER CODE	DESCRIPTION	AMOUNT	DISPOSABLE INCOME	ORIGINAL AMT	NEW AMT	ARREARS	TOTAL AMT	NEW BALANCE	PAYEE
AMSK, SHARON I	013940	001	11	D10	GARNISHMENT %	10.00 %	482.32	48.23	48.23	0.00	48.23	46861.05
							<b>482.32</b>	<b>48.23</b>				
ANDERSON, JERRY B	004444	001	11	D10	GARNISHMENT %	25.00 %	465.87	116.47	116.47	0.00	116.47	1647.79
							<b>465.87</b>	<b>116.47</b>				
AUBERRY, BETINA A	23826	001	10	D4	CHILD SUPPORT	7.20	149.86	7.20	7.20	0.00	7.20	9999985.6
							<b>149.86</b>	<b>7.20</b>				
AUDO, HEATHER A	000374	001	10	D4	CHILD SUPPORT	61.56	561.40	61.56	61.56	0.00	61.56	99334.21
AUDO, HEATHER A	000374	001	11	D10	GARNISHMENT %	25.00 %	561.40	78.79	78.79	0.00	78.79	2546.70
							<b>561.40</b>	<b>140.35</b>				
BAKER, FRANK R	018003	001	10	D4	CHILD SUPPORT	18.26	544.74	18.26	18.26	0.00	18.26	99817.39
							<b>544.74</b>	<b>18.26</b>				
BAKER, GEORGE M	021416	001	10	D4	CHILD SUPPORT	80.77	403.29	80.77	80.77	0.00	80.77	9999919.2
							<b>403.29</b>	<b>80.77</b>				
BARTLETTE, DEBORAH A	017394	001	10	D4	CHILD SUPPORT	45.37	462.06	45.37	45.37	0.00	45.37	89944.57
							<b>462.06</b>	<b>45.37</b>				
BELISARIO JR, PHILLIP D	003480	001	10	D4	CHILD SUPPORT	63.69	284.09	63.69	63.69	0.00	63.69	99333.35
							<b>284.09</b>	<b>63.69</b>				
BIDLEMAN, JAMES	017717	001	10	D4	CHILD SUPPORT	204.92	792.29	204.92	204.92	0.00	204.92	76854.76
BIDLEMAN, JAMES	017717	001	11	D10	GARNISHMENT %	25.01 %	792.29	0.00	0.00	0.00	0.00	583.27
							<b>792.29</b>	<b>204.92</b>				
BISHOP II, ROBERT J	013453	001	11	D10	GARNISHMENT %	25.00 %	432.38	108.10	108.10	0.00	108.10	337.68
							<b>432.38</b>	<b>108.10</b>				
BLACKBIRD, TRAVIS J	003560	001	10	D4	CHILD SUPPORT	74.76	555.75	74.76	74.76	0.00	74.76	85171.79
BLACKBIRD, TRAVIS J	003560	001	11	D10	GARNISHMENT %	25.00 %	555.75	64.18	64.18	0.00	64.18	277.71
							<b>555.75</b>	<b>138.94</b>				
BLAKE, CHAD T	018647	001	10	D4	CHILD SUPPORT	51.23	662.55	51.23	51.23	0.00	51.23	99487.69
							<b>662.55</b>	<b>51.23</b>				

Report: 17/07/2011

# Appendix:

## Examples of Amounts subject to Garnishment based on the \$5.15 an hour Minimum Wage:

The following examples illustrate the statutory tests for determining the amounts subject to garnishment.

1. An employee's gross earnings in a particular week are \$235.00. After deductions required by law, the disposable earnings are \$205.00. In this week \$50.50 may be garnished, since only the amount over \$154.50 may be garnished where the disposable earnings are \$206.00 or less. The employee would be paid \$154.50
2. An employee's gross earnings in a particular workweek are \$240.00. After deductions required by law, the disposable earnings are \$210.00. In this week 25 percent of the disposable earnings may be garnished. ( $\$210.00 \times 25\% = \$52.50$ ) The employee would be paid \$157.50
3. A garnishment order is received after the second work day of the week. It requires a garnishment based on wages earned up to that day be withheld. The employee is paid \$60.00 a day. Since less than \$154.50 has been earned, no garnishment is permitted. However, if another garnishment is received when the workweek is complete, or in states where continuing garnishments are issued, the employer will withhold on the basis of the earnings for the entire week
4. An employee paid every other week has disposable earnings of \$400.00 for the first week and \$40.00 for the second week of the pay period, for a total of \$440.00. In a biweekly pay period, when disposable earnings are above \$412.00 for the pay period 25% may be garnished. It does not matter that the disposable earnings in the second week are less than \$154.50 - 25% of the \$440.00 (\$110.00) is subject to garnishment
5. An employee on a \$320.00 weekly draw against commissions has disposable earnings each week of \$285.00. Commissions paid monthly, total \$2,000.00 for July after deductions required by law. Each draw and the balance due at the monthly settlement are separately subject to the law's restrictions. Thus, 25% (\$71.25 in this example) of each draw may be garnished. At the end of the month, the \$1,140.00 previously drawn is subtracted from the \$2,000.00 settlement figure, and 25% of the balance may be garnished. In this example, the garnish amount is \$215.00
6. Pursuant to a garnishment order (with priority) for child support an employer withholds \$90.00 a week from the wages of an employee who has disposable earnings of \$240.00 a week. A garnishment order for the collection of a defaulted student loan is also served. The limit for normal garnishments of 25% applies to the debt for the outstanding student loan. Under the formula for normal garnishments, a maximum of \$60.00 (25% of \$240.00) is garnishable. The \$90.00 support payments may be withheld, because the normal restrictions do not apply to court orders for support. No withholding for the defaulted student loan may be made, because the amount already withheld is more than the amount that may be withheld for normal garnishments. Additional withholdings could be made to collect support, delinquent federal or state taxes and certain bankruptcy court ordered payments

# FAQ's

The following are some of the more common questions.

**1. Is the interface installed on the server or just on the client computers?**

EZ-GARN is installed inside Sage Abra and can be installed from any workstation that runs Abra or has Abra installed. This was designed to make it simple for the end user to install our applications. Only requirement is that no users can be inside Abra at the time of the install. Please refer to [Installation and Access -To install EZ-GARN](#) install instructions.

# Glossary

## A

**Activity Centre** - The Activity Center provides access to all activities and includes the same options as the main menu.

**Arrears** - An unpaid, overdue debt or an unfulfilled obligation.

## D

**Drop-Down List** - A special kind of field within a screen that, when clicked, displays a number of option from which to choose

## E

**EZ-GARN** - A software product developed by Employee Based Systems, which reduces the amount of time spent calculating garnishments for employees

## F

**Federal Law** - Federal law is the body of law created by the federal government of a nation.

## L

**List Box** - A dialog box that displays a multi-column list of items from which you can select.

## P

**Payroll** - Payroll is one of a series of accounting transactions dealing with the process of paying employees for services rendered, after processing of the various requirements for withholding of money from the employee for payment of withholding payroll taxes, insurance premiums, employee benefits, garnishments, and other deductions

**Process** - A process changes or creates information pertaining to a group of employees. A process involves one step or a series of steps that lead to the completion of a task.

## S

**Sage Abra** - Payroll Integration application.

**Security Group** - A security group is a collection of one or more users with the same access rights

## T

**Trial period** - A trial version of a software or any product that is valid only for a specific period or time.

## W

**Wage Garnishment** - Any legal or equitable procedure through which some portion of a person's earnings is required to be withheld by an employer for the payment of a debt.