



Office of the State Auditor

CTAS 2026

The CTAS 2026 enhancements include implementing the first phase of Minnesota Paid Leave and the correction of a known issue.

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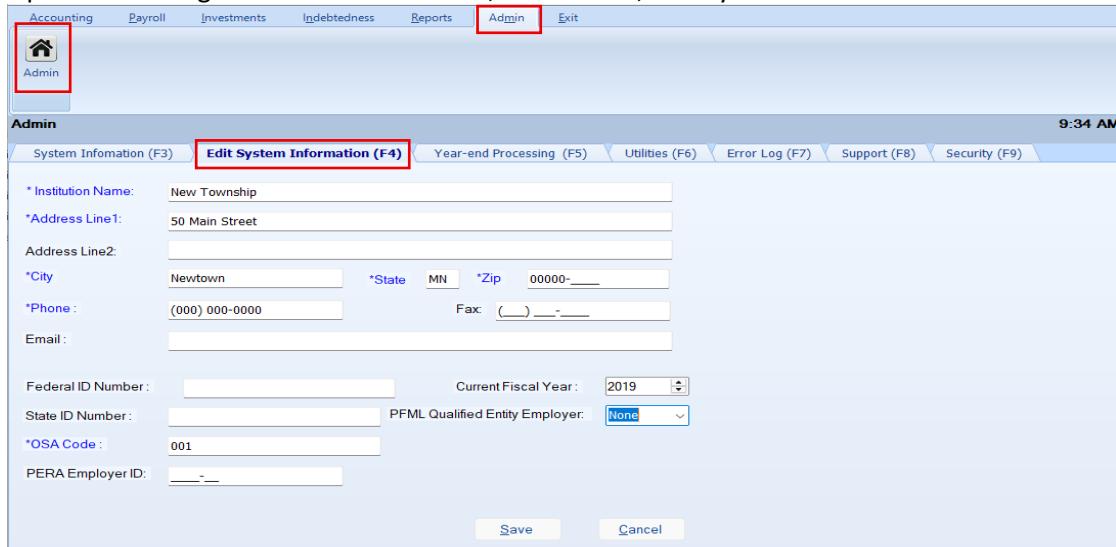
Section 1: Minnesota Paid Leave

The following information is needed prior to setting up Paid Leave in CTAS:

1. Determine the Employer Size - Normal or Small. Minnesota Paid Leave has been sending notices through the mail to employers to confirm if the employer is a normal or small employer. For questions, please contact Minnesota Paid Leave at 844-556-0444 or via email paidleave@state.mn.us.
2. Determine how the Paid Leave premiums will be split between the employee and the employer. The Town Board or City Council should determine this split. Minnesota State Statute 268B.14 Subdivision 3 requires employers contribute a minimum percentage.
*****The above items do not involve the Minnesota Office of the State Auditor. You will need to know this information to set up Paid Leave in CTAS.*****

To have CTAS calculate and withhold premiums (from employee paychecks), follow the steps below.

1. Open CTAS and go to the Admin Module, Admin icon, Edit System Information tab.



The screenshot shows the CTAS Admin module. The top navigation bar has tabs: Accounting, Payroll, Investments, Indebtedness, Reports, Admin (which is highlighted with a red box), and Exit. Below the navigation is a sub-menu for the Admin module with tabs: System Information (F3), Edit System Information (F4) (which is highlighted with a red box), Year-end Processing (F5), Utilities (F6), Error Log (F7), Support (F8), and Security (F9). The current time is 9:34 AM. The main form is titled 'Edit System Information (F4)'. It contains the following fields:

- * Institution Name: New Township
- *Address Line1: 50 Main Street
- Address Line2:
- *City: Newtown
- *State: MN
- *Zip: 00000
- *Phone: (000) 000-0000
- Fax: () -
- Email:
- Federal ID Number:
- Current Fiscal Year: 2019
- State ID Number:
- PFML Qualified Entity Employer: None
- *OSA Code: 001
- PERA Employer ID: -

At the bottom are 'Save' and 'Cancel' buttons.

In the PFML Qualified Entity Employer section, select the dropdown arrow and choose the employer type applicable to your entity, then select Save.

The screenshot shows the 'Edit System Information' page. The 'PFML Qualified Entity Employer' dropdown is open, displaying three options: 'None', 'Normal', and 'Small'. The 'Normal' option is highlighted with a red box. A red arrow points to this highlighted option. The 'Save' button at the bottom is also highlighted with a red box.

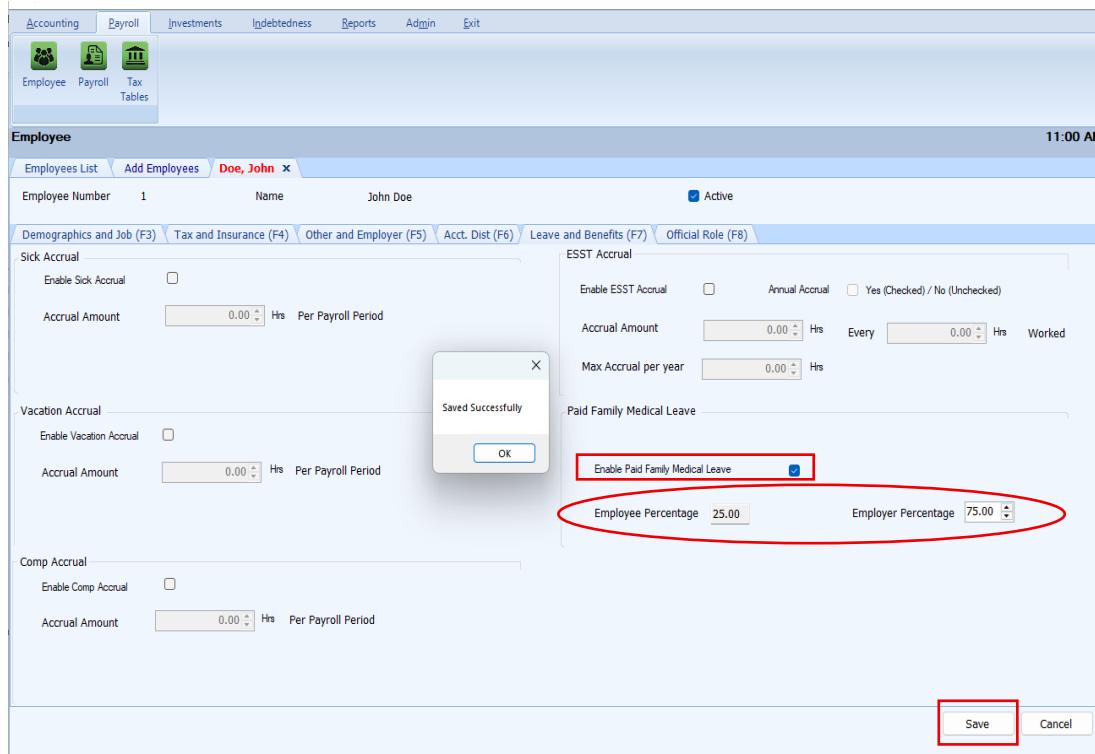
2. Activate PFML for employees that qualify and set how the premium will be split between the employee and employer. (Payroll Module, Employee Section)

Select the Payroll tab, Employee icon, open an employee from the Employee List tab (or when adding a new employee) and select the Leave and Benefits (F7) tab. Notice the addition of the Paid Family Medical Leave section.

The screenshot shows the 'Leave and Benefits' tab for an employee. The 'Paid Family Medical Leave' section is highlighted with a red box. It contains the following fields: 'Enable Paid Family Medical Leave' (checkbox), 'Employee Percentage' (0.00), and 'Employer Percentage' (50.00).

To activate an employee for PFML, check the Enable Paid Family Leave check box. Once that is checked, the Employee and Employer Percentages will become active. The Employer Percentage will default to 50%. The Employer percentage can be edited to the range of 50% to 100%. Once the employer percentage is set, the employee percentage will automatically calculate and display the remaining percentage to total 100%.

In this example, the employer is paying the required minimum (which is 50%) plus an additional 25% for the employee. Therefore, the employer percentage is entered as 75% and the employee percentage automatically calculates and displays the remaining 25%, for a total of 100%.



The screenshot shows the CTAS software interface for managing employee benefits. The main window displays the 'Employee' record for 'Doe, John'. A modal dialog box is open, showing a success message: 'Saved Successfully' with an 'OK' button. The 'Paid Family Medical Leave' section is highlighted with a red oval. It contains the following settings:

- Enable Paid Family Medical Leave:**
- Employee Percentage:** 25.00
- Employer Percentage:** 75.00

At the bottom right of the main window, the 'Save' button is highlighted with a red box.

After setting the percentages, click the Save button.

After individual employee records have been updated for Paid Leave, CTAS is ready to calculate the premiums in a payroll.

3. When running payroll, CTAS will calculate both the employer and employee premiums. (Payroll Module, Payroll section) The premiums will be displayed in the payroll.

Create a payroll, add employees to the roster, and enter hours for an employee. The premiums will be calculated automatically and displayed in a few different places in CTAS. The employee premiums will be displayed on the Employee Deductions (F5) tab and the employer premiums will be displayed on the Employer's Share (F6) tab. Finally, if the employer is paying more than the required minimum, the additional amount is considered a fringe benefit and is taxable to the employee for Federal and State income taxes, Social Security, and Medicare. As a result, this is displayed on the Gross Pay (F3) tab.

In this example, the employer is a normal employer and the employer/employee split will be 75% employer and 25% employee. If the employee's gross pay is \$1600, the total premium will be $\$1,600 * .88\% = \14.08 . The breakdown would be:

- Employer \$10.56 (75% of \$14.08),
 - where 50% of \$14.08 or \$7.04 is the required minimum, and
 - where 25% of \$14.08 or \$3.52 is the additional amount above the required minimum, and
- Employee \$3.52 (25% of \$14.08).

The employer premium is displayed on the Employer's Share (F6) tab of a payroll. Select this tab and you will find the percentage of the premium that the employer is responsible for - broken out between the required minimum and any additional percentage the entity decides to contribute for the employee.

Employer Share	
Health Insurance Amount	\$ 20.00
Dental Insurance Amount	\$ 10.00
Life Insurance Amount	\$ 5.00

PFML Premiums	
Employer - Required	\$ 7.04
Employer - Additional	\$ 3.52

As discussed previously, the additional amount is taxable to the employee so this amount is also displayed on the Gross Pay (F3) tab.

Payroll Check Information

Employee #: 1 Name: John Doe

Gross Pay (F3) Taxes (F4) Employee Deduction (F5) Employer's Share (F6) Acct. Dist (F7) Sick,Vacation,Comp,ESST (F8)

Select an Employee (Payroll Period Ending 12/19/2025) Check Number:

Last Name / First & Middle Name	Employee #	Pay Frequency
Doe John	1	Bi-Weekly

Gross Pay

Name	Reg Hrs	Sick Hrs	Vac Hrs	Comp Hrs	ESST Hrs	Holiday Hr	Amount	Overtime	Gross Pay
► Meeting							\$18.000	<input type="checkbox"/>	\$0.00
Hourly	80.00						\$20.000	<input type="checkbox"/>	\$1,600.00
							\$0.000	<input type="checkbox"/>	\$0.00
		0.00	0.00	0.00	0.00	0.00	\$0.000	<input checked="" type="checkbox"/>	\$0.00
		0.00	0.00	0.00	0.00	0.00	\$0.000	<input checked="" type="checkbox"/>	\$0.00

Reimbursements

Claim Date	Process	Description	Amount
No Outstanding Claims found for this Employee			

Summary

Employer Contribution	\$3.52
Tips	\$_____0.0
Regular Pay	\$1,600.00
Overtime Pay	\$0.00
Gross Earnings	\$1,600.00
Total Deductions	\$610.63
Net Pay	\$989.37
EIC Amount	\$_____0.0
Reimbursements	\$0.00
Total	\$989.37

Save **Close**

The employee premium is displayed on the Employee Deduction (F5) tab of a payroll. Select this tab and you will find the percentage of the premium that the employee is responsible for.

Payroll Check Information

Employee #: 1 Name: John Doe

Gross Pay (F3) Taxes (F4) **Employee Deduction (F5)** Employer's Share (F6) Acct. Dist (F7) Sick,Vacation,Comp,ESST (F8)

Insurance Deductions (After Tax)

Health Plan	Health
Employee Amount	\$_____5.00
Dependent Amount	\$_____0.00
Dental Plan	Dental
Employee Amount	\$_____100.00
Dependent Amount	\$_____0.00
Life Plan	Life
Employee Amount	\$_____10.00
Dependent Amount	\$_____0.00

Paid Family Medical Leave

Amount	\$3.52
Adjustment	\$ 0.00

Other Deductions

PERA Plan Type	General (Basic or Coordinated)
Percentage	0.0650 <input type="text"/>
Amount	\$104.00
Adjustment	\$_____0.00

Union Dues Amount

\$_____0.00

Other Deductions

Type	Amount
1 Child Supp	\$_____125.00
2	\$_____0.00
3	\$_____0.00

Save **Close**

Using the same facts as above, except if the employer was a small employer instead of a normal employer, the total premium rate would 75% of the normal employer's premium rate. If the employee's gross pay is \$1,600, the total premium will be $\$1,600 * .88\% = \14.08 * .75 = \$10.56 (or $\$1,600 * .0066 = \10.56). The employer is required to contribute a minimum of 25% of a normal employer. (The employee contribution remains the same as under a normal employer). The breakdown would be:

- Employer \$7.04 (50% of \$14.08) (Note: 50% is being used because the employer split is set at 75% and with a small employer, the employer contribution is set at 25% of the normal employer. Therefore, 75% - 25% is 50%).
 - where 25% of \$14.08 (or $\$1,600 * .0022$) is \$3.52, which is the required minimum (the small employer required minimum is 25% per state statute), and
 - where 25% of \$14.08 or \$3.52 is the additional amount above the required minimum, and
- Employee \$3.52 (25% of \$14.08) (the same as under a normal employer).

4. CTAS will display the employee premiums and any employer contribution above the required minimum on the payroll register and withhold the employee premiums on the paycheck/paystub.

The payroll register (landscape version) has some new sections and columns to accommodate the Paid Leave premiums. A new section has been added called Taxable non-wages. The Tips column was moved under this section since tips are not wages represented on this check. In this section, a column was also added called Employer Cont. PFML. This column is for the additional employer contribution above the minimum, if any. Note: Neither tips nor employer cont. PFML are added into the Taxable Wages column on this report. This is because these two items are non-wages. (These two amounts are added into gross pay when CTAS is calculating taxes to withhold). And finally, a new column was added next to State Withholding called PFML. This column represents the employee premium withheld. This amount is included as a deduction and is subtracted from gross pay (along with other deductions) to arrive at the net pay.

New Township										Payroll Register - Landscape										12/24/2025		
Payroll Period Ending: 12/17/2025										Earnings												
Employee		Hours								Taxable non-wages		Earnings										
ID	Name	Regular	OT	Hol	Sick	Vac	Comp	ESST		Employer Cont. PFML	Tips	Regular	OT	Hol	Sick	Vac	Comp	ESST	Gross			
1	Doe,John	80.00	0.00	0.00	0.00	0.00	0.00	0.00		\$3.52	\$0.00	\$1,600.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,600.00			
	TOTALS	80.00	0.00	0.00	0.00	0.00	0.00	0.00		\$3.52	\$0.00	\$1,600.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,600.00			
Employee		Pretax Deductions																				
ID	Name	PERA	Def. Income	Cafeteria	Other		Taxable Wages	Federal WHTax		FICA		Medicare	State WHTax		PFML							
1	Doe,John	\$104.00	\$15.00	\$0.00	\$0.00		\$1,481.00	\$86.14		\$99.42		\$23.25	\$39.30		\$3.52							
	TOTALS	\$104.00	\$15.00	\$0.00	\$0.00		\$1,481.00	\$86.14		\$99.42		\$23.25	\$39.30		\$3.52							
Employee		Insurance																				
ID	Name	Health	Dental	Life	Union	Others 1	Others 2	Others 3		Net Pay		EIC	Reimbursements		Total		Check #					
1	Doe,John	\$5.00	\$100.00	\$10.00	\$0.00	\$125.00	\$0.00	\$0.00		\$989.37		\$0.00	\$0.00		\$989.37							
	TOTALS	\$5.00	\$100.00	\$10.00	\$0.00	\$125.00	\$0.00	\$0.00		\$989.37		\$0.00	\$0.00		\$989.37							

The payroll register, portrait version, has not been fully updated for Paid Leave; however, the landscape version does include Paid Leave. Please only use the landscape version of the payroll register for now. The payroll register, **portrait version**, is being worked on and should **not** be used until it is corrected.

The paycheck/paystub has also been updated to show the employee/employer premiums. Under the Employee After-Tax Deductions, a PFML line has been added for the employee premium. Under the Employer Contributions, two lines have been added. One line says PFML Required to represent the employer amount that was the required minimum. The other line is labeled as PFML Additional to represent the employer amount above the required minimum, if any. This line has an asterisk (*) by it since even though this is an employer contribution, it is taxable to the employee.

12/19/2025

John Doe

*****989.37

Nine Hundred Eighty-Nine Dollars And Thirty-Seven Cents

John Doe
240th Ave.
Newtown, MN 00000

John Doe		Payroll End Date: 12/19/2025			Check Date: 12/19/2025			PayType: Hourly		
		Gross Pay	Social Security	Medicare	Federal Tax	State Tax	Total Deductions	Reimbursements	Net Pay	
Current		\$1,600.00	\$99.42	\$23.25	\$86.14	\$39.30	\$610.63	\$0.00	\$989.37	
Year To Date		\$6,240.00	\$397.02	\$92.85	\$343.51	\$156.63	\$2,449.65	\$0.00	\$3,790.35	
Description		PayRate	Regular Hrs	Sick Hrs	Vacation Hrs	Comp Hrs	ESST Hrs	Holiday Hrs	OT	Amount
Hourly		\$20.00	80.00	0.00	0.00	0.00	0.00	0.00		\$1,600.00

Employee Before-Tax Deductions		Employee After-Tax Deductions		Employer Contributions	
Deferred Income	\$15.00	Health Insurance	\$5.00	Health Insurance	\$20.00
Cafeteria Plan	\$0.00	Dental Insurance	\$100.00	Dental Insurance	\$10.00
PERA	\$104.00	Life Insurance	\$10.00	Life Insurance	\$5.00
Other Pretax	\$0.00	Union Dues	\$0.00	PERA	\$120.00
* Taxable Employer Contributions		Other After Tax	\$125.00	PFML - Required	\$7.04
		PFML	\$3.52	PFML - Additional	\$3.52 *

Employer NewTownship 50 Main Street Newtown, MN 00000 (000)000-0000

John Doe Payroll End Date: 12/19/2025 Check Date: 12/19/2025 PayType: Hourly

Sick	Vacation	Comp	ESST
Beginning	6.00	Beginning	6.00
Accrued	2.00	Accrued	2.00
Used	0.00	Used	0.00
Ending	8.00	Ending	8.00

Employer NewTownship 50 Main Street Newtown, MN 00000 (000)000-0000

Section 2: Known Issue Corrected

The PERA Exclusion Report was not pulling data and instead displayed a blank report. This issue has been corrected, and the report is now displaying correctly.

For more information on these items and other fixes go to the CTAS webpage on the OSA website <https://www.osa.state.mn.us>.