Chapter 1

Setting Up Your CTAS System

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Throughout this manual, we will refer the Small City and Town Accounting System as "CTAS".

Before Setting Up Your CTAS System

Downloading and Installing CTAS

The most current update to CTAS can be downloaded from the State Auditor's Form Entry System (SAFES) at https://www.auditor.state.mn.us/safes/.

Videos and documents with step-by-step instructions for downloading and installing CTAS can be found at https://www.auditor.state.mn.us/default.aspx?page=ctas.

Importing (Migrating) Your CTAS Version 7 Data to the New Version

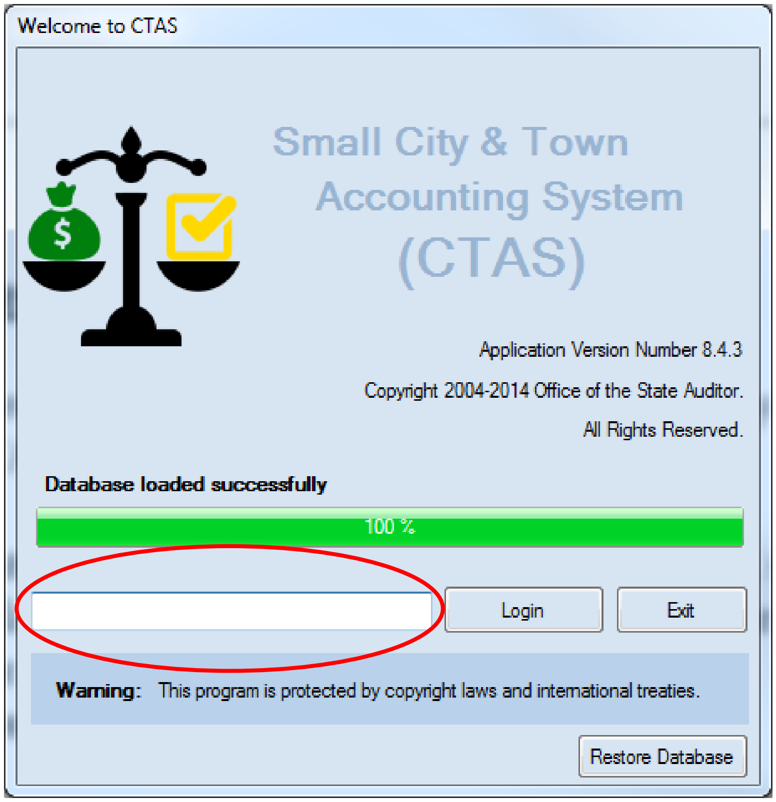
CTAS is designed to work with your Version 7 data if you choose. Videos and documents with step-by-step instructions on how to import (migrate) your Version 7 data into New Version can be found at https://www.auditor.state.mn.us/default.aspx?page=ctas.

Setting Up Your CTAS System: Entering the Program

Once you've installed CTAS onto your computer, a new CTAS icon (below) will be placed on your computer's desktop. To begin, double-click on the icon using the left mouse button.

The Welcome screen will appear.

Setting Up Your CTAS System: Entering the Program (continued)



The text box on the Welcome screen (circled) allows you to enter a Login ID.

Note: This is simply an internal reference ID and not a security feature.

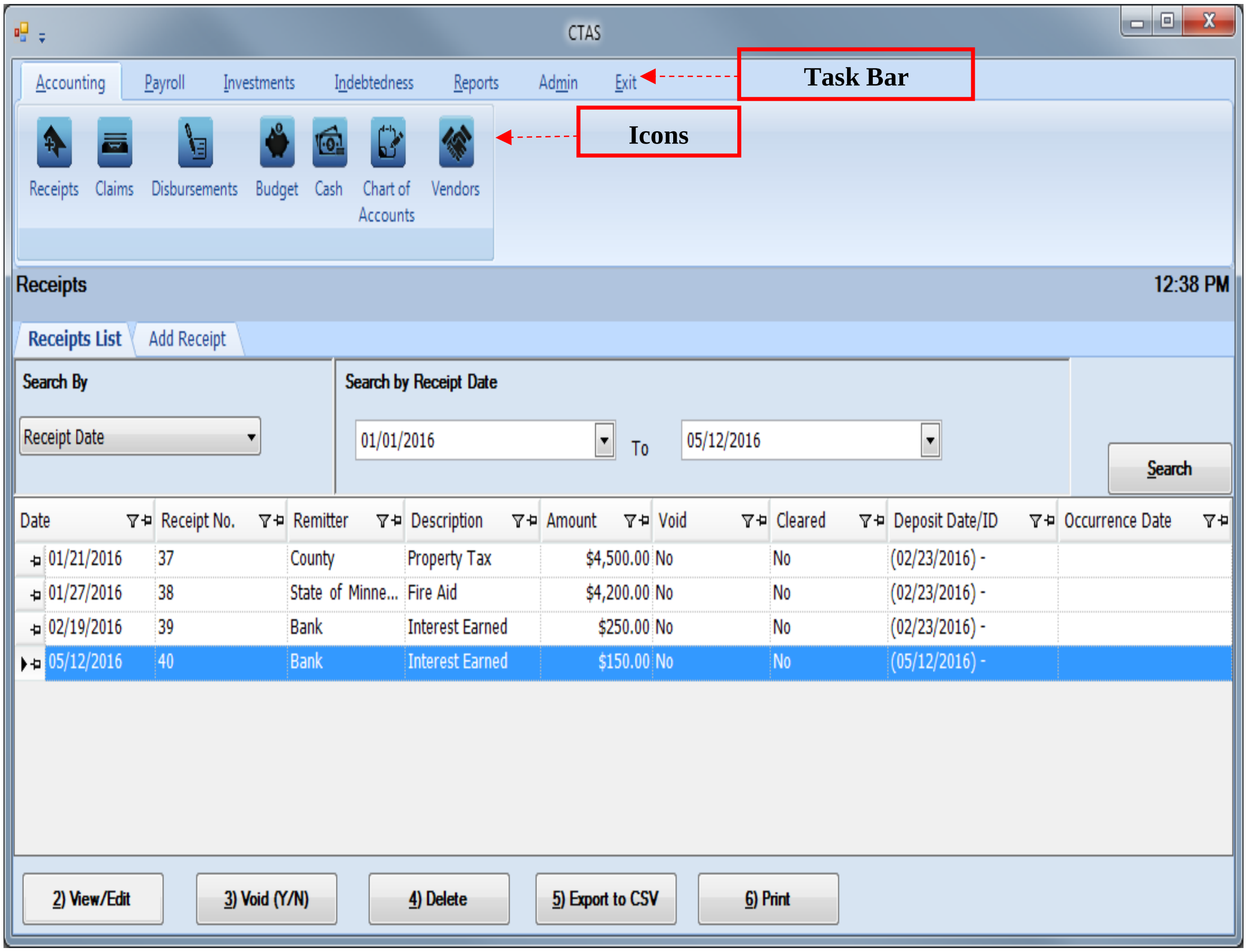
You may enter any ID you choose, the recommended Login ID for CTAS is your first initial and last name.

Enter a Login ID and click on the Login button.

At the bottom of the Welcome screen you will see the Restore Database button (see page 1-25 for instructions). This button is used only when you are copying data from a backup file.

Setting Up Your CTAS System: Entering the Program (continued)

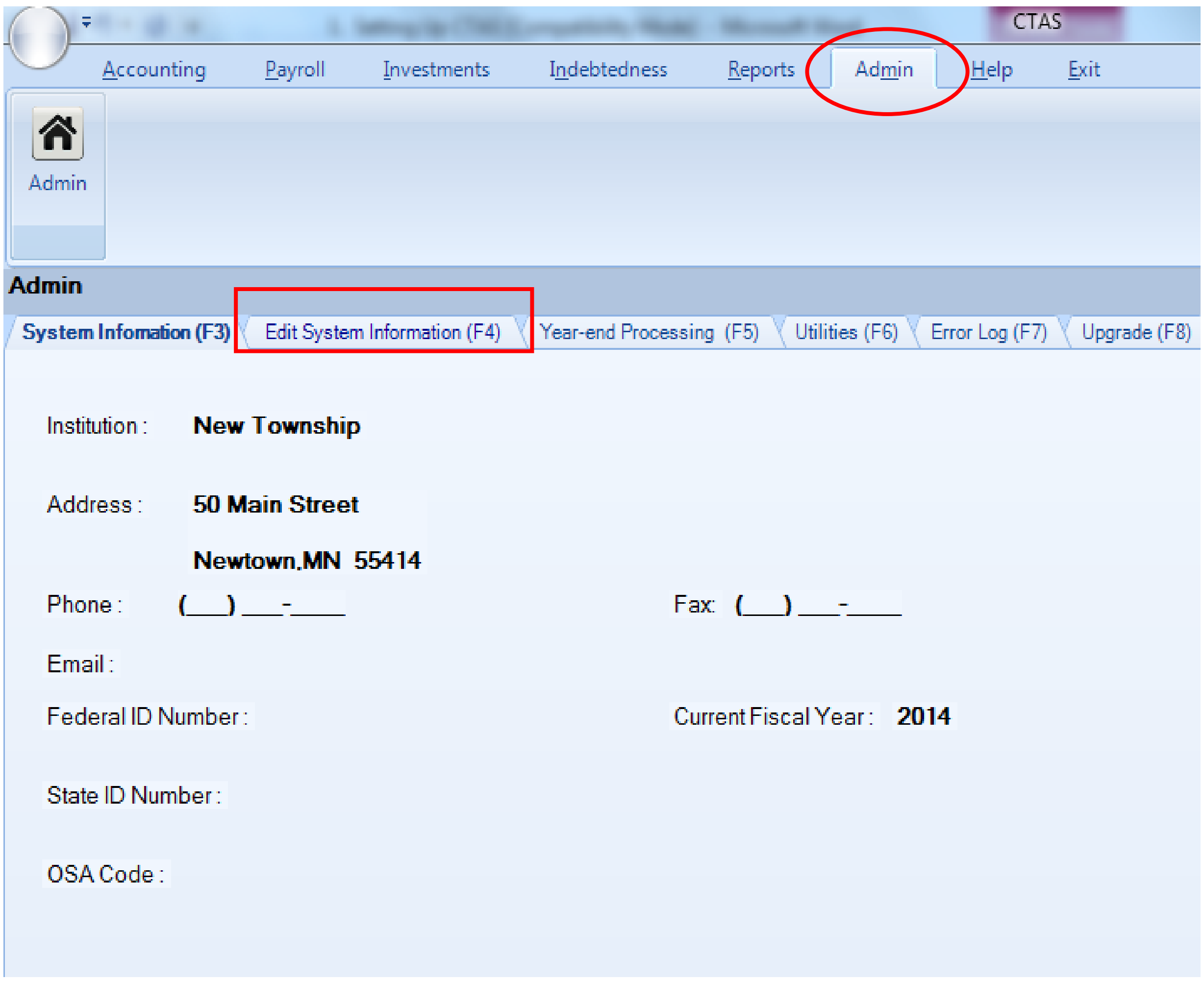
After clicking the Login button, the Receipts Menu screen will appear.



The system automatically defaults to the Receipts Menu screen found in the Accounting Module. To change to the Payroll, Investments, Indebtedness, Reports or Admin Modules, select a tab from the Task Bar (top). You can navigate to any other section of CTAS from this screen by clicking on the appropriate icon. Once you are in the appropriate module, you can move to another screen within the module by clicking on the corresponding icon.

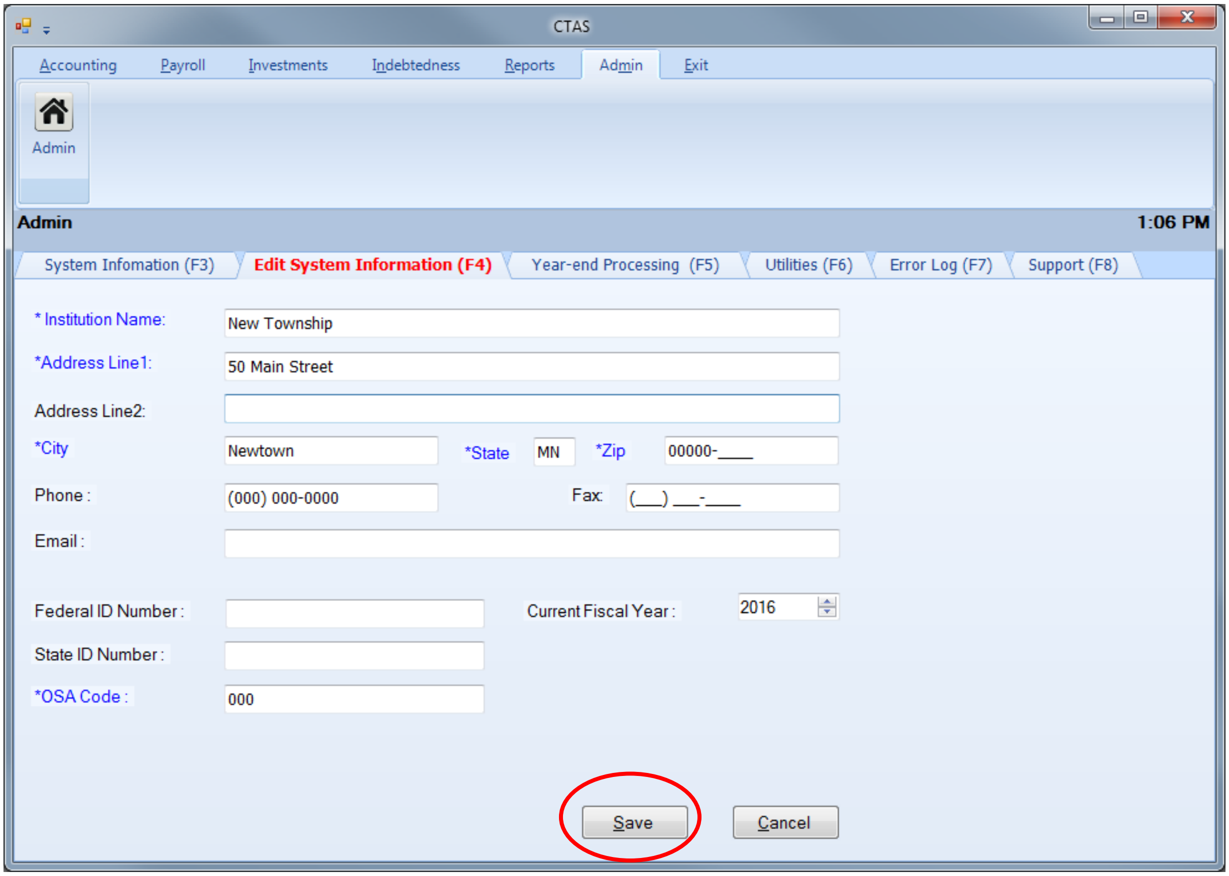
Entering the Information for Your Entity

Your entity's administration information is required to begin using CTAS. To enter this information, navigate to the Admin Module. To get there, click on the Admin tab in the Task Bar (circled), then click on the Admin icon. The Administration screen, shown below, will appear.



To begin entering the information for your local government, click on the Edit System Information (F4) tab on the Administration screen (boxed). The Edit System Information screen will appear.

Setting Up Your CTAS System: Administration Information (continued)



One new feature of CTAS is the identification of fields which you are required to complete when you are entering information into the program. Any field with an asterisk and blue letters is required and must be completed before moving on to the next screen.

When the Edit System Information screen appears, the following steps are required:

- Enter the name of your town or city in the Institution Name field.
- Enter the mailing address of your entity in the Address fields.
- Enter the OSA Code (received from the Office of the State Auditor).

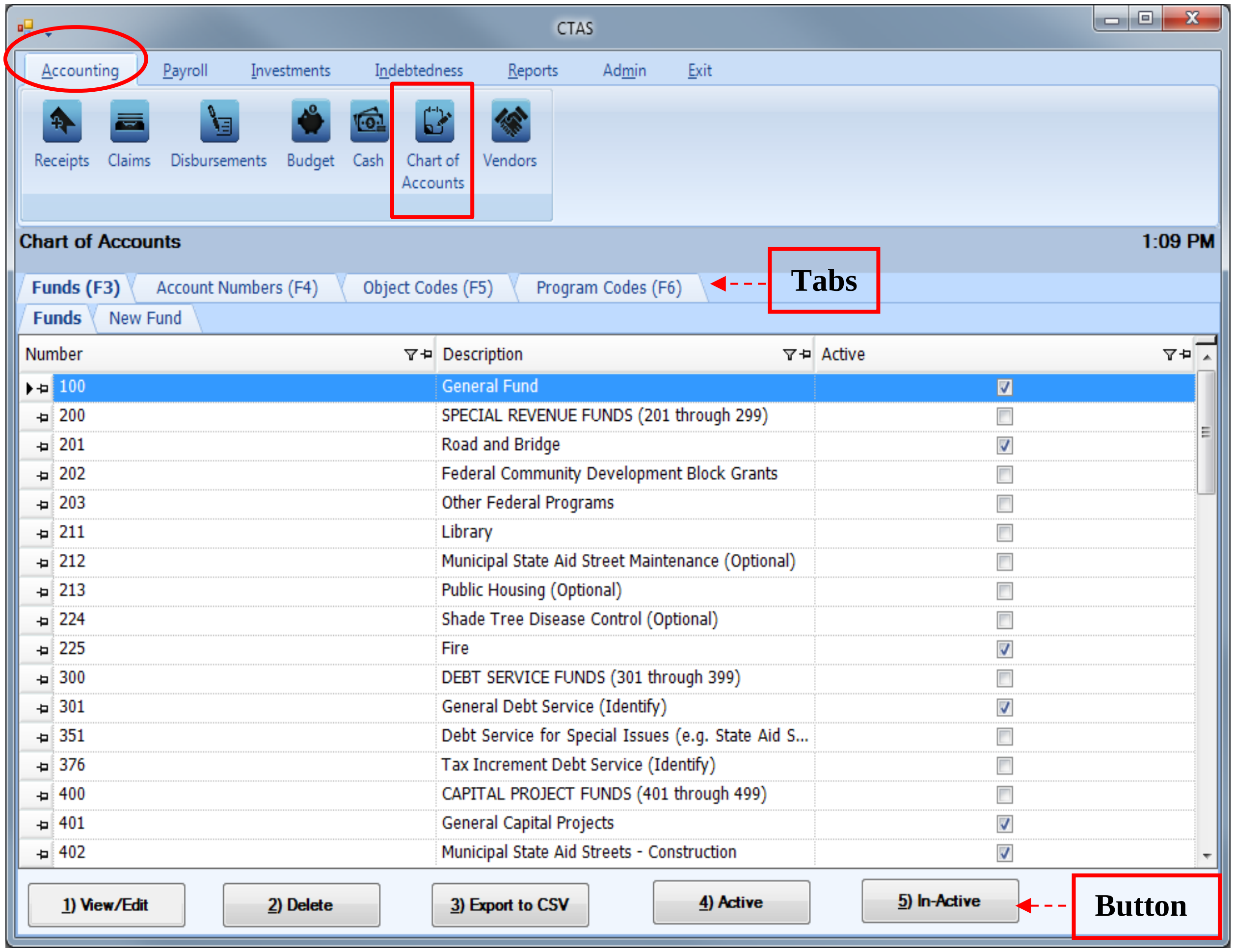
The other information may be entered at any time. For the optional information:

- Enter the Federal Employer ID number in the Federal ID field; it begins with 41-.
- Type the State ID number, if you have one, in the State ID field.
- Click on the up or down arrow in the Current Fiscal Year box to change the fiscal year to the current one.

When you have completed entering your information, click on the Save button (circled). You will receive the message "System Information updated successfully." Click OK.

Setting Up Your CTAS System: Chart of Accounts

To access the Chart of Accounts section, click on the Accounting tab in the Task Bar (circled), then click on the Chart of Accounts icon (boxed). For a more detailed explanation of the Chart of Accounts, see Chapter 8 of this manual.

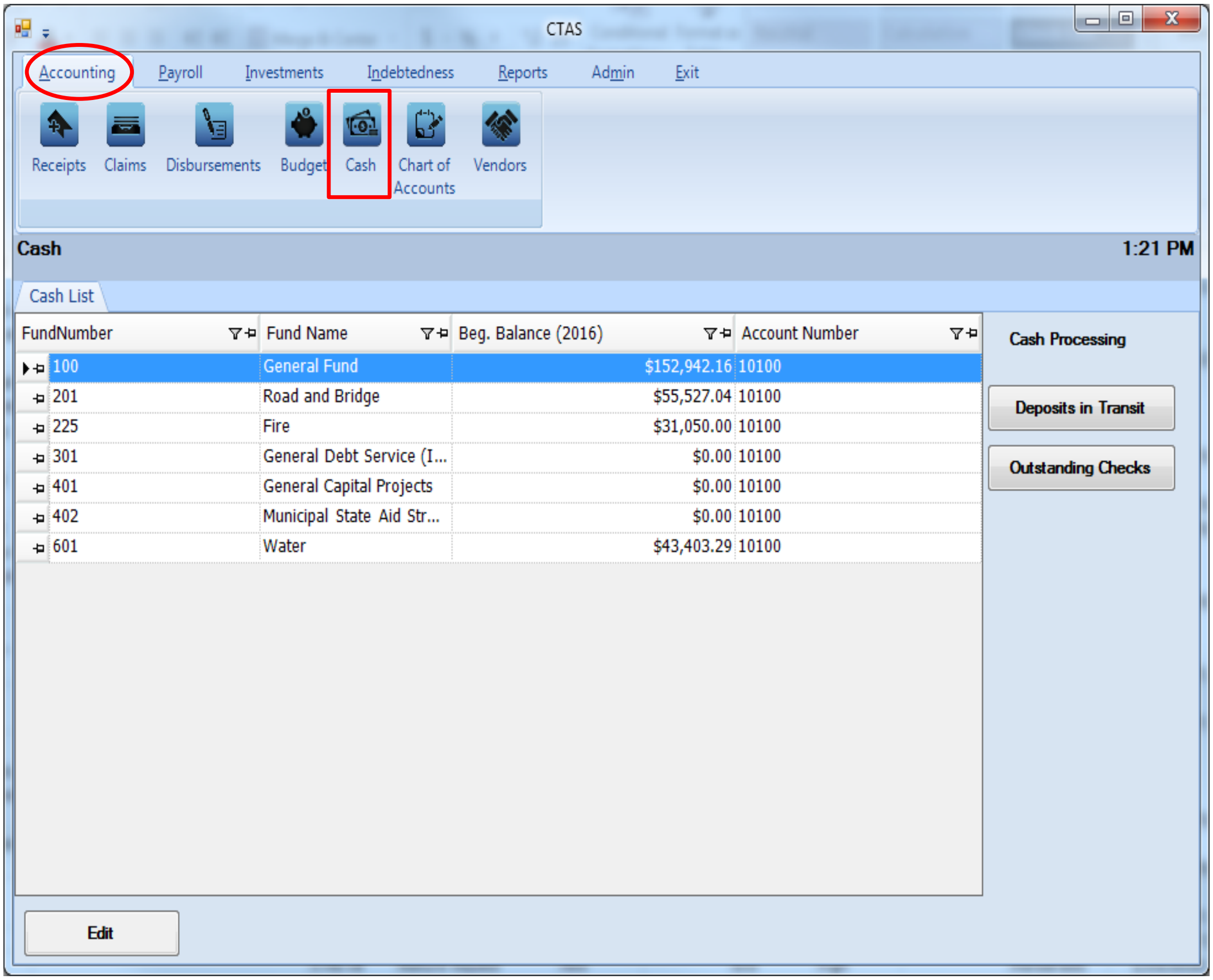


To modify the Chart of Accounts, click on the appropriate tab to add or delete Fund Numbers, Account Numbers, Object Codes, and Program Codes as needed. Use the buttons on the bottom of the screen to modify existing numbers. The Program Codes are optional. See Chapter 8 for more information on Program Codes.

<u>Note: Fund Numbers, Account Numbers, and Object Codes should only be added, edited, or deleted after consulting the CTAS Chart of Accounts issued by the Office of the State Auditor. Deviating from the CTAS Chart of Accounts could result in inaccurate results when printing or submitting reports.</u>

Setting Up Your CTAS System: Cash Control

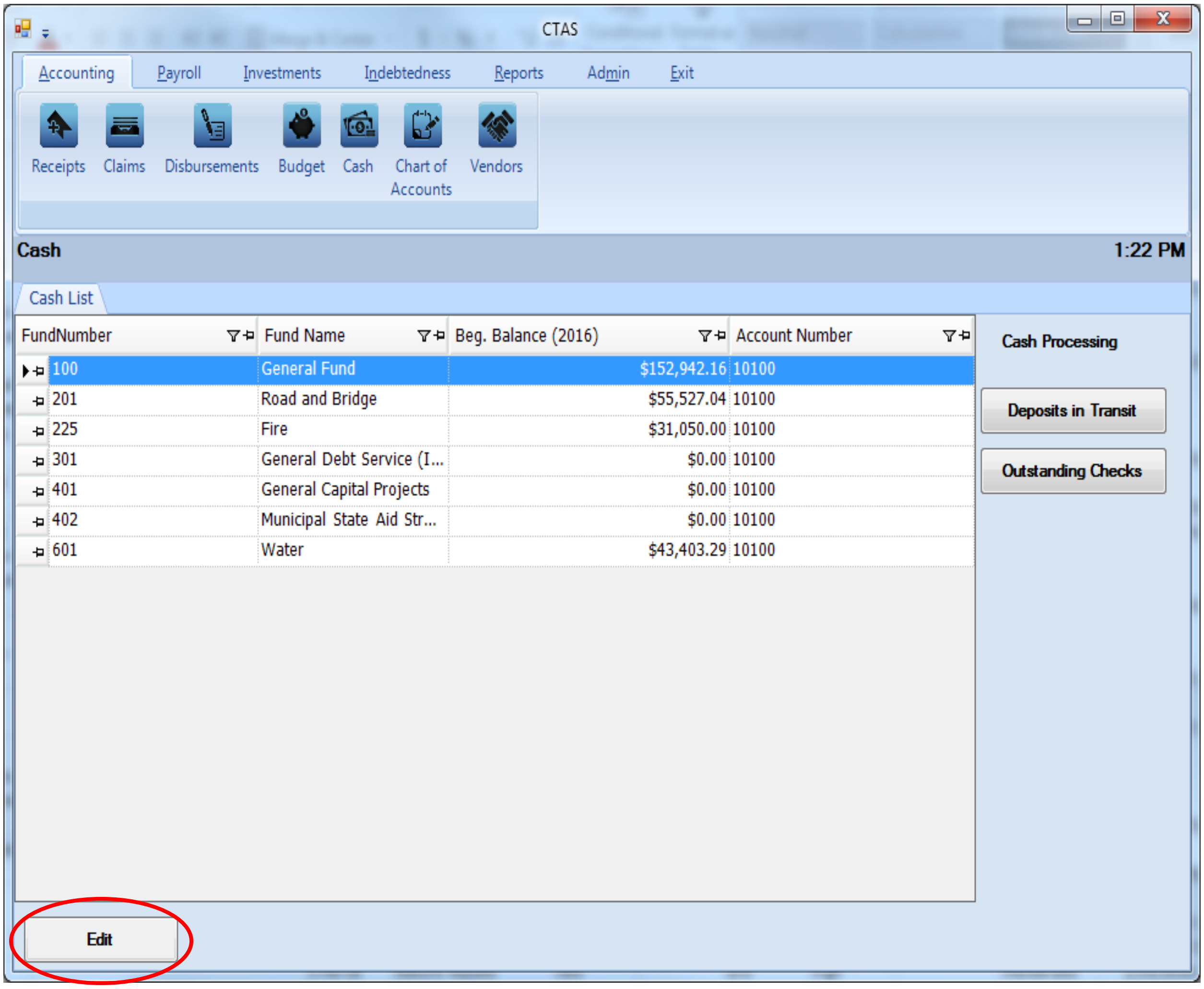
The Cash Control section is in the Accounting Module of CTAS. To access this section, navigate to the Accounting Module (circled) and click on the Cash icon (boxed). The Cash Control screen, shown below, will open to the Cash List.



Setting Up Your CTAS System: Cash Control (continued)

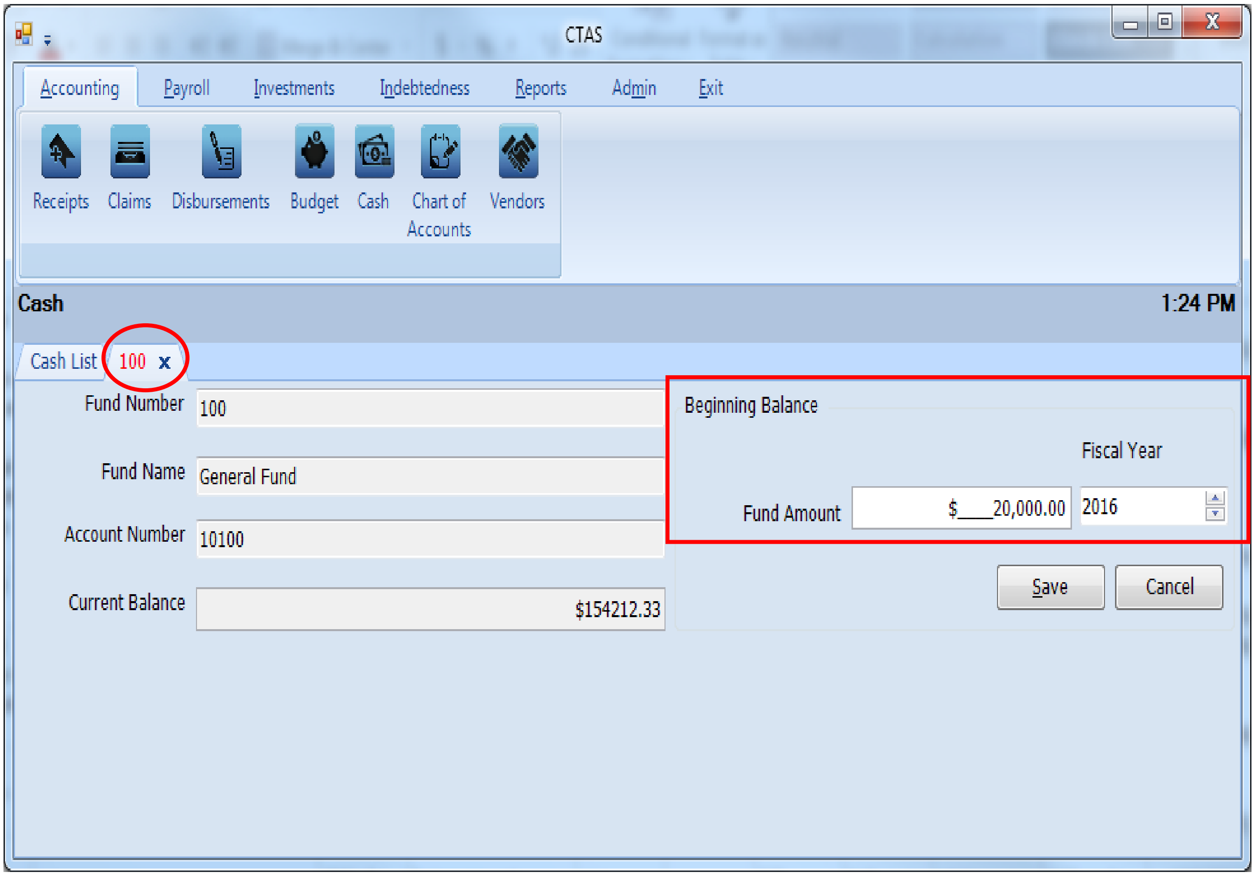
Entering the Beginning Balances

To enter a fund's beginning balance, click on the fund you wish to work with. Once highlighted, click the Edit button (circled).



Setting Up Your CTAS System: Cash Control (continued)

After you click the Edit button, a new tab will open labeled with that fund's number (circled).



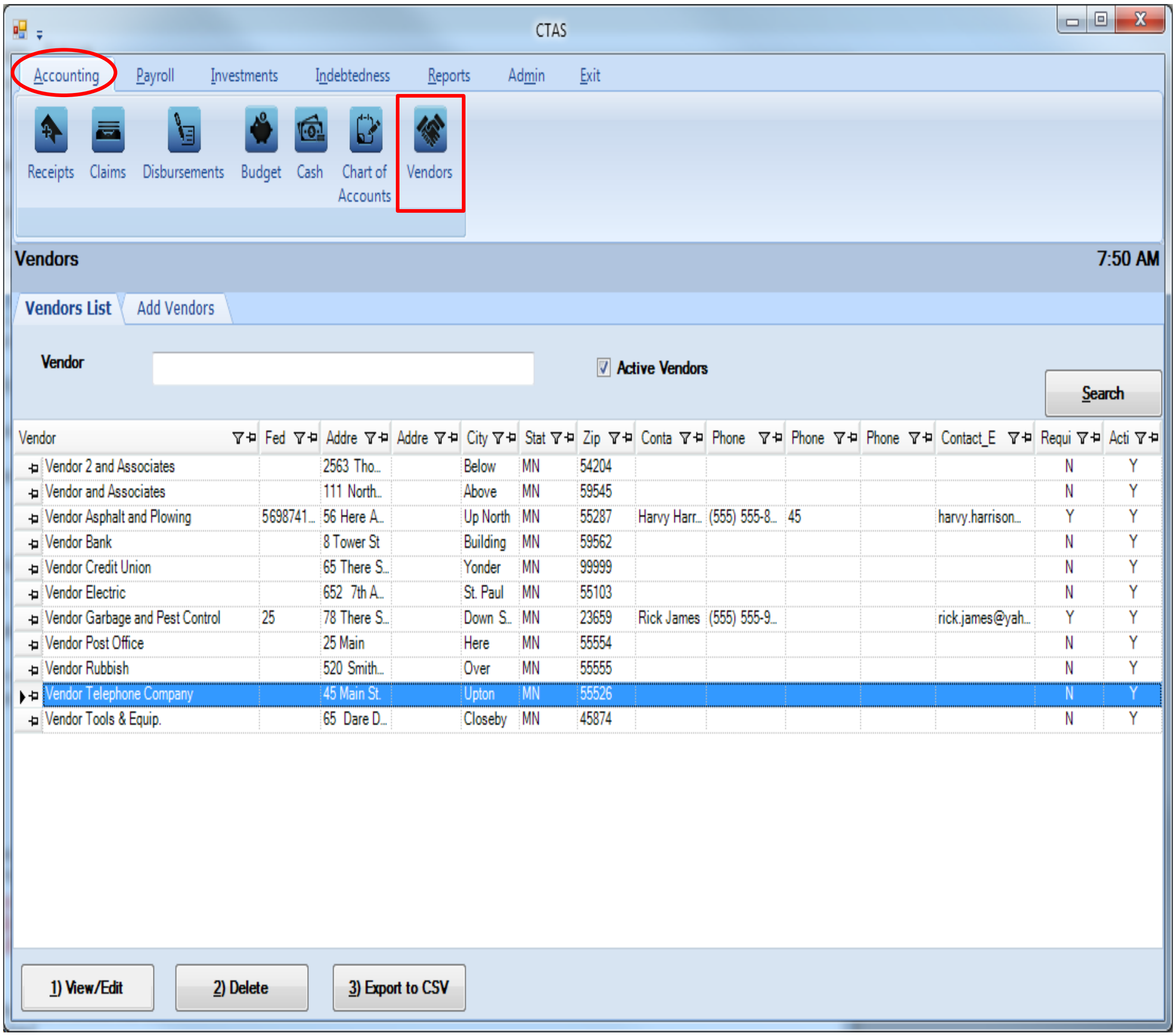
With the fund's tab open, complete the following steps:

- Select the Fiscal Year for the beginning balance in the Beginning Balance area (boxed).
- Enter the Fund's beginning balance in the Fund Amount box in the Beginning Balance area (boxed).
- Click the Save button.

Repeat these steps to enter the beginning balance for each fund.

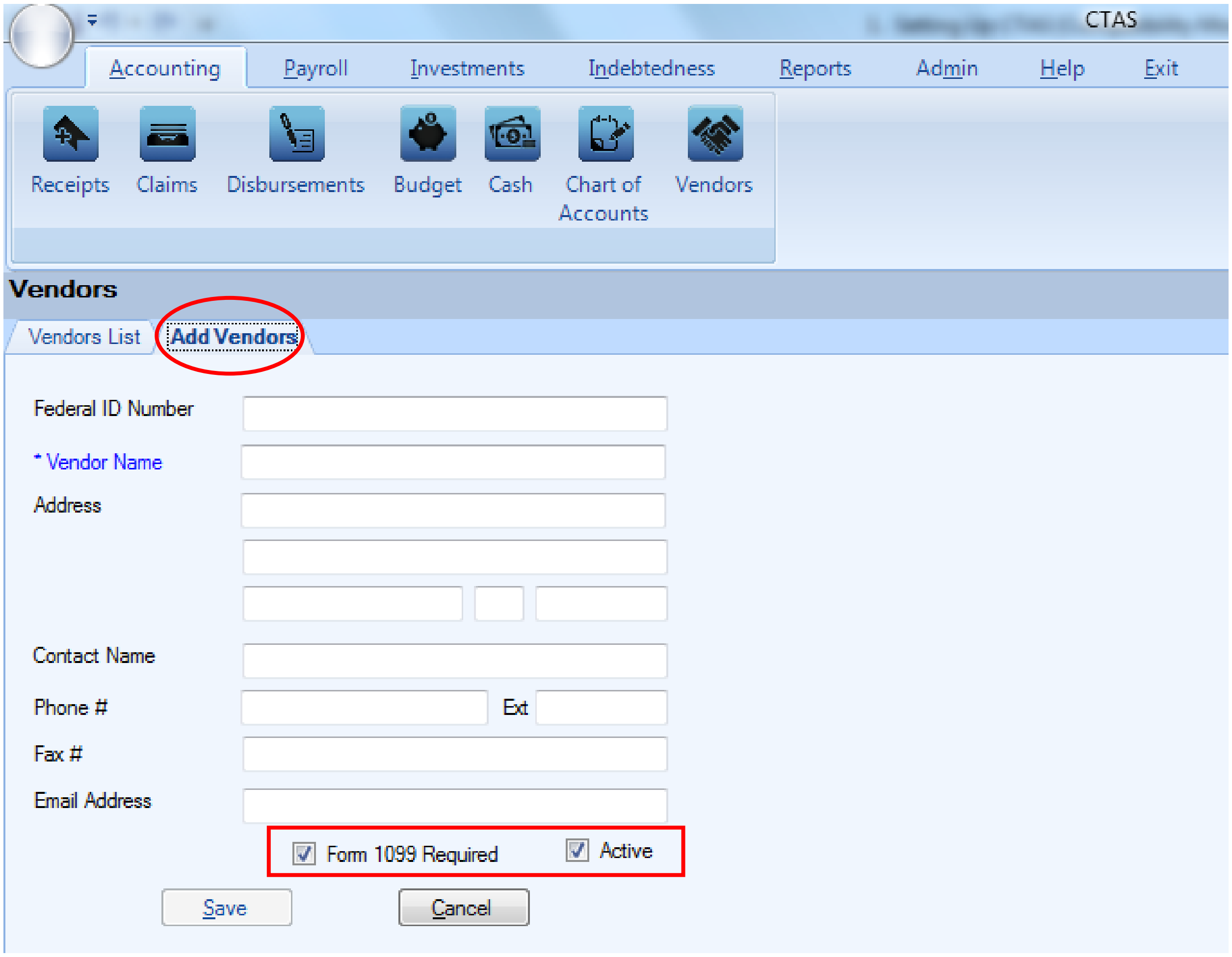
Setting Up Your CTAS System: Vendors

To access the Vendors section from within the Accounting Module of CTAS, navigate to the Accounting Module (circled) and click on the Vendors icon (boxed). The Vendors screen will appear, as shown below.



To enter a vendor's information, click on the Add Vendors tab of the Vendors screen. The Add Vendors screen will appear.

Setting Up Your CTAS System: Vendors (continued)



The only required information on the Add Vendors tab (circled) is the Vendor Name. Other optional information that can be entered:

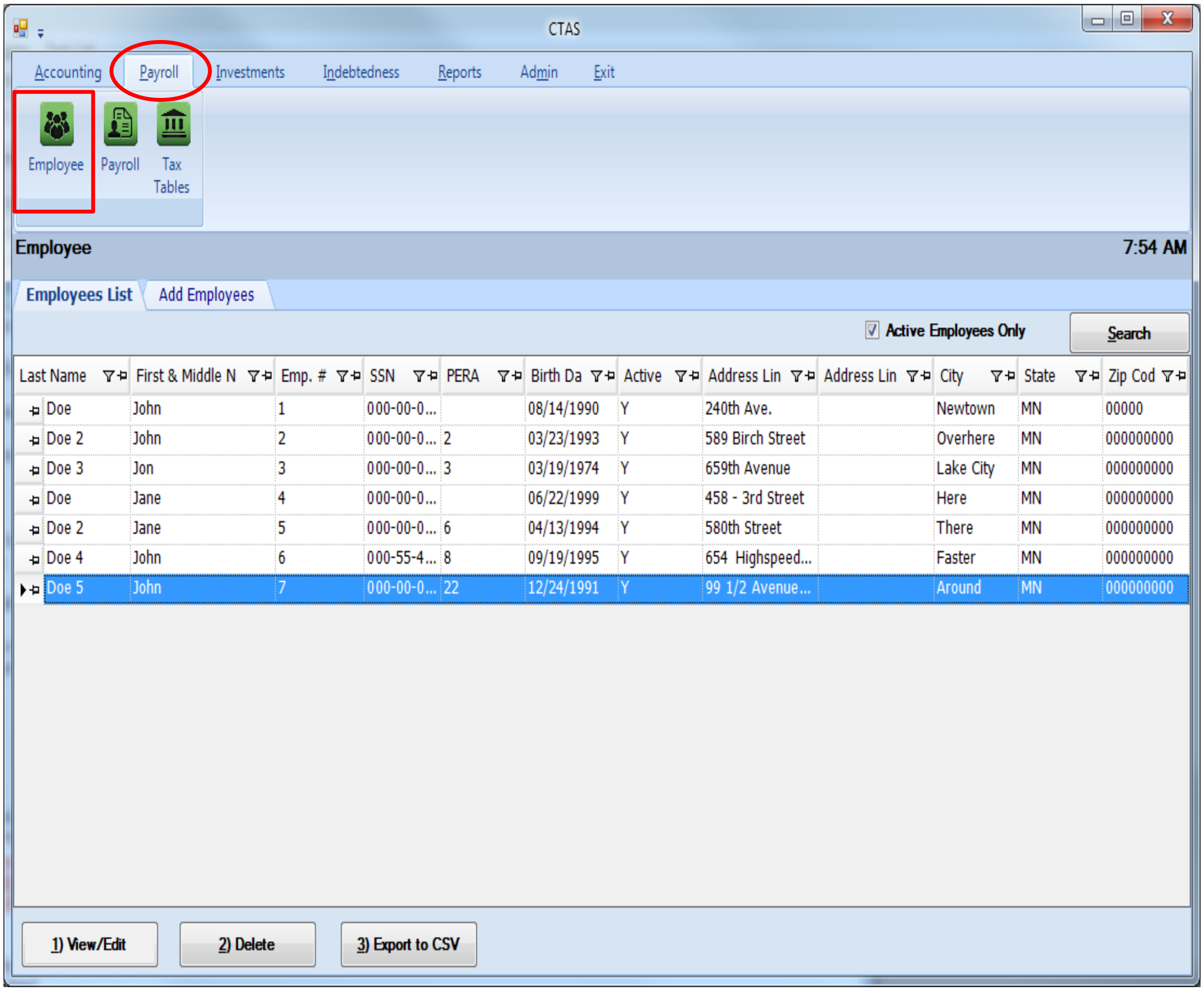
- For vendors that require a 1099, enter their Federal ID Number.
- There are three address lines. The first two are for the vendor's street address: the third line is for the city, state, and zip code.
- "Contact Name", "Phone #" "Fax #" and "Email Address" are for the information of your vendor contact.
- There are two optional check-boxes at the bottom of the screen (boxed). If the vendor will need a 1099 printed at the end of the year, check the Form 1099 Required box. By checking the Active box, this vendor's information will appear on the Vendors List tab.

When you have completed entering the vendor's information, click the Save button. You will be returned to the Vendor List. To enter information for another vendor, click on the Add Vendor tab again.

Setting Up Your CTAS System: Payroll System

To begin using the Payroll Module, you must enter employee information and enter tax and insurance information for the tax tables. To enter and edit employee information, click on the Payroll tab on the Task Bar (circled), then click on the Employee icon (boxed). The Employee list will open, as shown below.

To add employee information, click on the Add Employees tab.



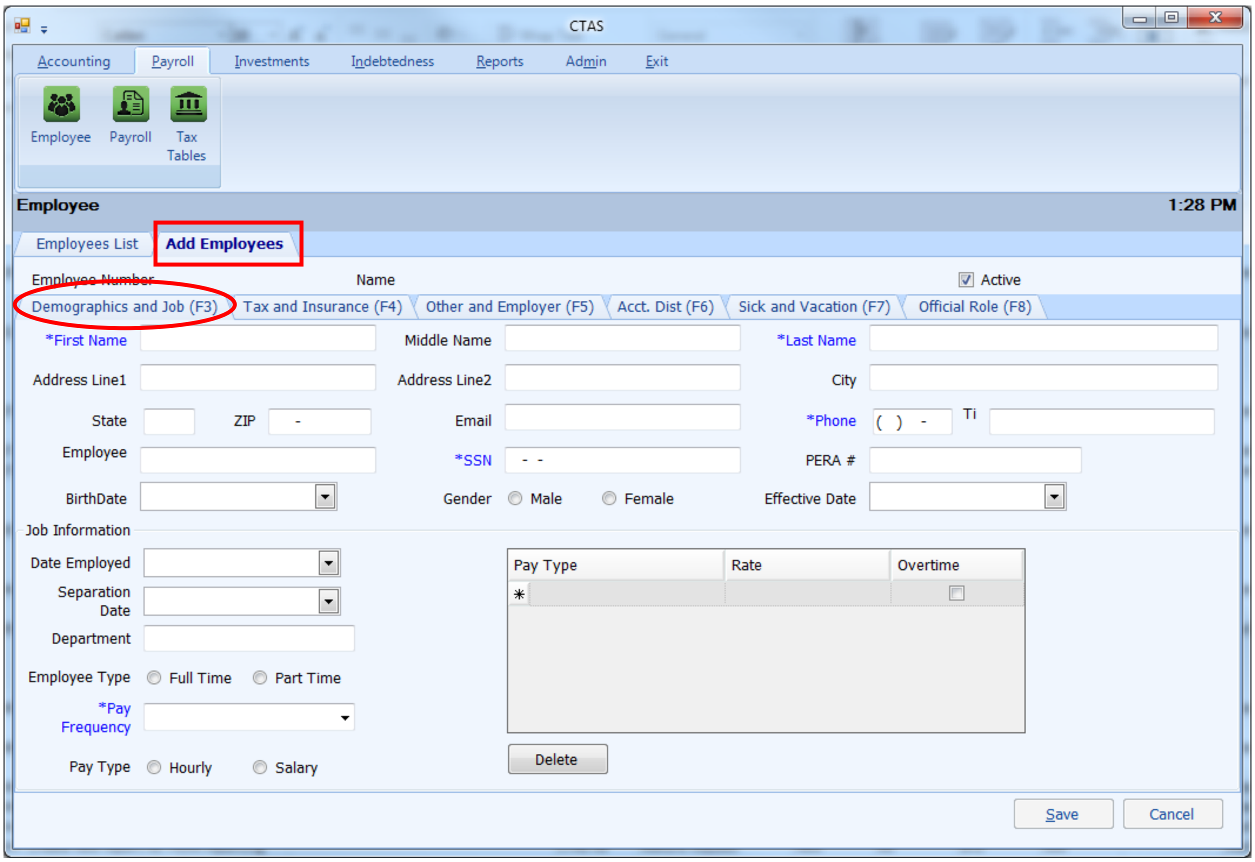
Setting Up Your CTAS System: Payroll System (continued)

Entering Employee Information in the Demographics and Job Tab (F3)

To add an employee's information, click the Add Employees tab (boxed) in the Payroll Module. The Add Employees screen with six tabs will appear. The screen opens to the Employee's Demographics and Job (F3) tab (circled).

Note: The required fields must be completed on four tabs before CTAS will allow you to save an employee's information: Demographics and Job (F3), Tax and Insurance (F4), Acct. Dist (F6), and Official Role (F8).

The Other and Employer (F5) and Sick and Vacation (F7) tabs may or may not be necessary for you to complete, depending on your entity's benefits.



Entering the Employee Record information:

- First Name, Last Name, SSN, Phone number and Pay Frequency are required fields.
- The employee's name (required) must be entered as it reads on the employee's Social Security card. This information will be printed on the W-2.
- You can enter the Employee Number using a method of your choosing.
- The Effective Date is the date the pay rates became effective.
- The Department box in the Job Information section can be Supervisor, Council Member, Clerk, Treasurer, Street Department, etc.

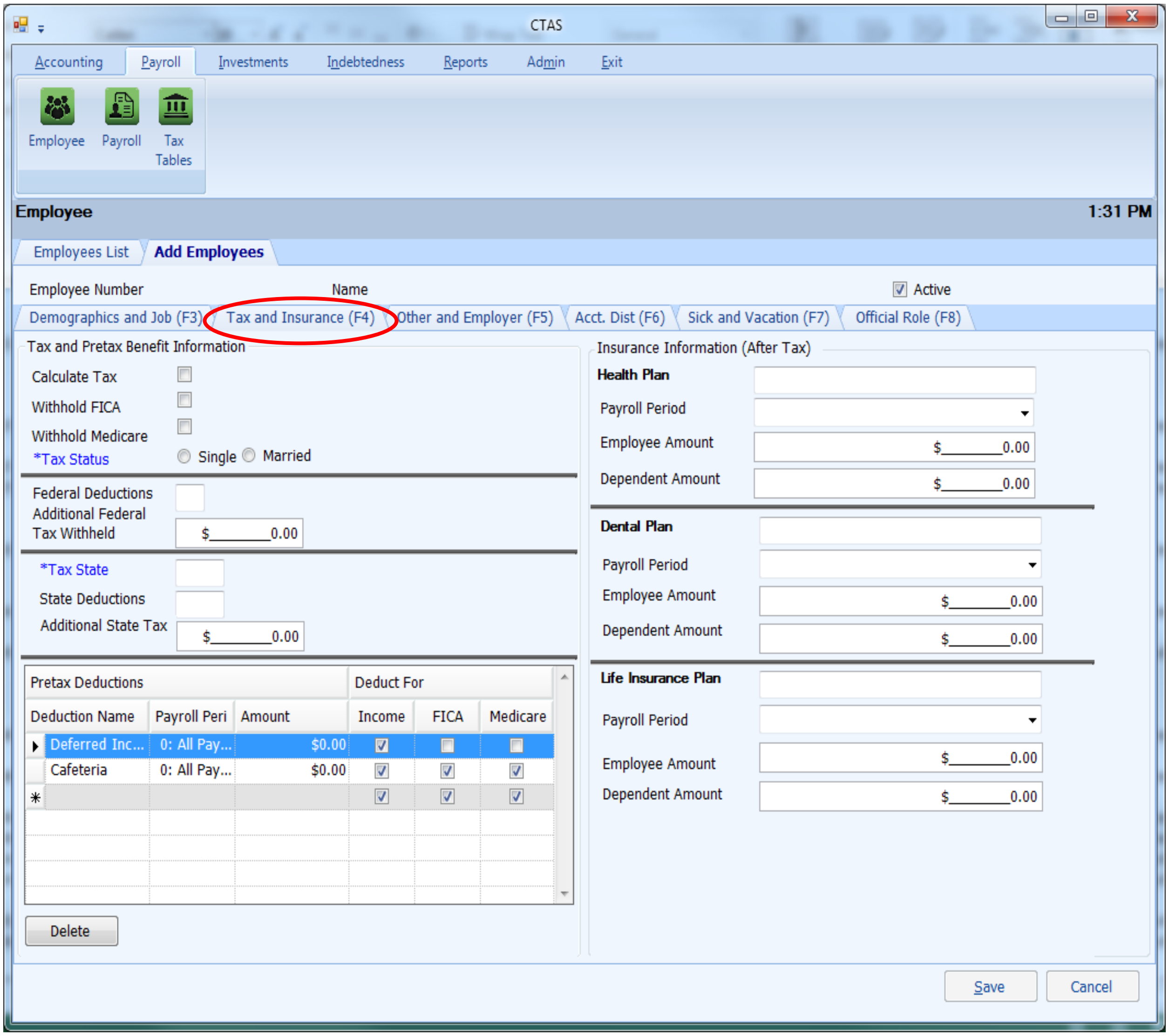
Entering Employee Information in the Demographics and Job Tab (F3) (continued)

- In choosing an Employee Type, Town Board members are part-time employees.
- In the Rate column, a board member/councilperson could have Regular Rate 1 as the meeting rate, Regular Rate 2 as an hourly rate, and Regular Rate 3 as a salary rate.
- The overtime rate needs to be calculated and then entered. Overtime rates are not calculated at time and a half in CTAS.
- Select the pay frequency by clicking on the down arrow and then highlighting your choice.

When this tab is completed, click on the Tax and Insurance (F4) tab (not the Save button) as shown on the next page.

Entering Information in Tax and Insurance Tab (F4)

After clicking on the Tax and Insurance (F4) tab (circled) in the Add Employees tab, the screen below opens.



The only required information on this tab is Tax Status and Tax State (for Minnesota, enter MN).

To complete the other steps:

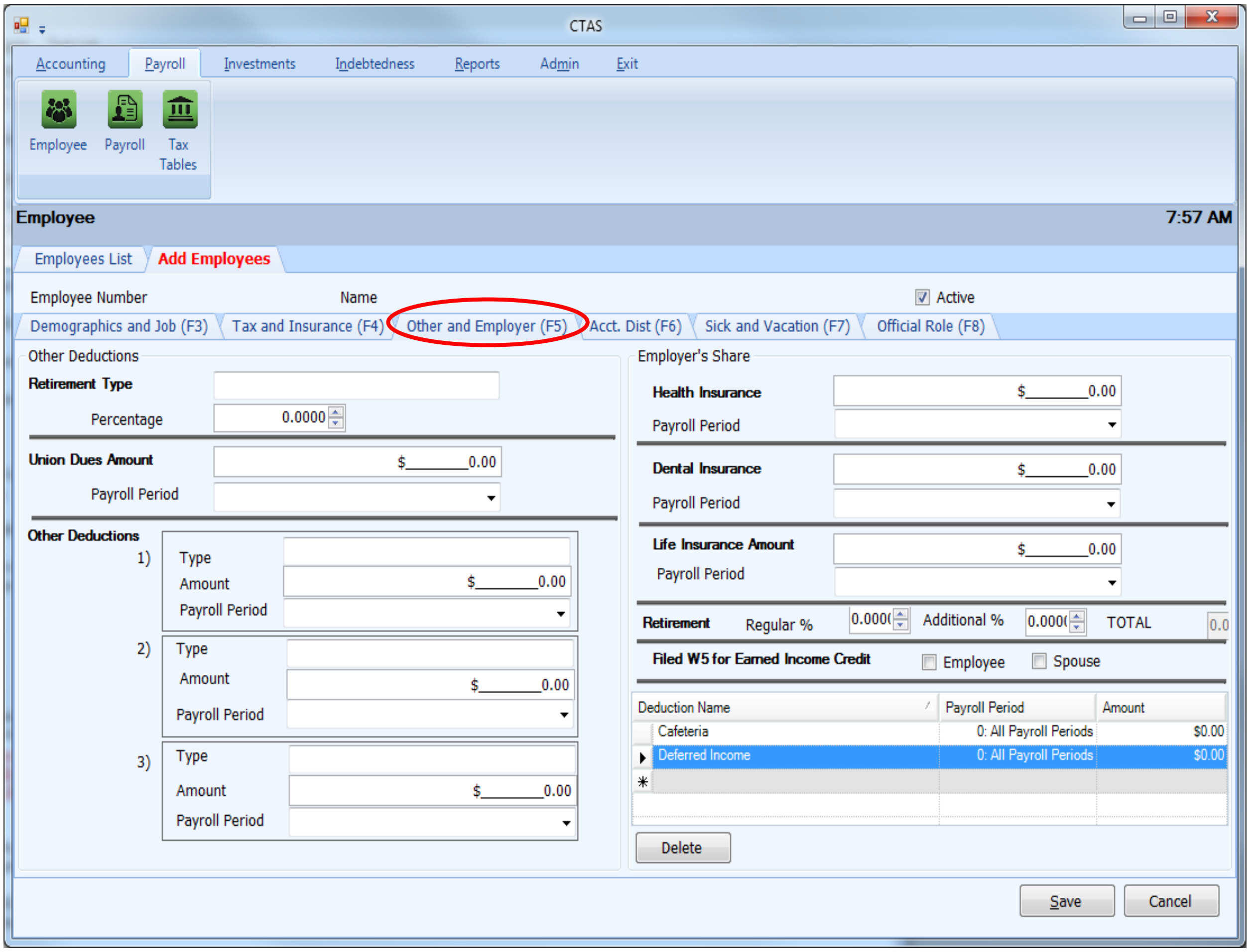
- Click the Calculate Tax box to calculate the Federal and State Income Tax Withholding amount.
- Click the Withhold FICA and/or Withhold Medicare boxes, if applicable.
- Enter the number of federal exemptions claimed on the W-4 in the Federal Deduction field.
- Enter the number of state exemptions claimed on the W-4 in the State Deductions field.

Entering Information in Tax and Insurance Tab (F4) (continued)

- Enter the appropriate information in the Deferred Income, Cafeteria Plan, and Insurance Information areas. These are the amounts to be withheld from the employee's pay. The Deferred Income and Cafeteria Plan amounts are deducted before Federal and State income taxes are calculated.
  - The Payroll Period fields indicate from which paychecks the deduction should be withheld. The 1st of the month through the 14th of the month is the first pay period; the 15th through the 28th is the second pay period; and the 29th through the 31st is the third pay period.

When this tab is completed, click on the Other and Employer Tab (F5).

Entering Information in Other and Employer Tab (F5)



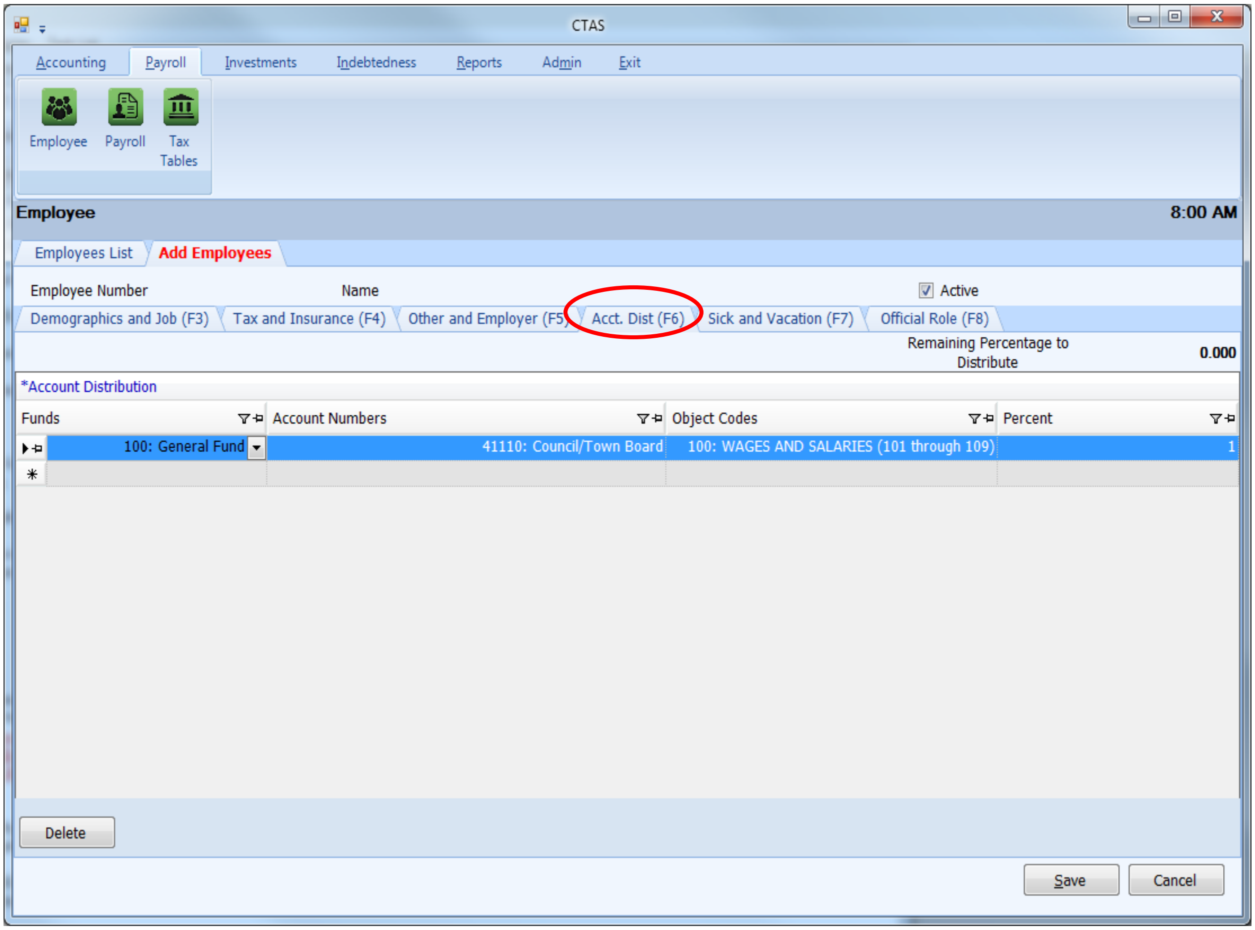
There is no required information to be completed in this tab: CTAS does not need this tab to be completed to save an employee's information. Your entity's benefits will determine if this information is applicable for your employees.

If you are completing this tab:

- Enter the Type of Plan in the Retirement Type field if an employee is paying in PERA. Indicate which PERA plan the employee participates in (DCP, Coordinated, etc.).
- Enter the percentage to be withheld as a decimal. For example, to withhold 5%, enter 0.05 in the Percentage field.
- Enter the Union Dues or any Other Deductions required to be withheld from an employee's pay.
- Enter the employer's share of any benefits. If the employee is paying into PERA, enter the percentage for the employer's share of the retirement.

When this tab is completed, click on the Acct. Dist tab (F6).

Entering Information in Acct. Dist Tab (F6)



The fourth tab in the Add Employees tab is the Acct. Dist (F6) (account distribution) screen. On this screen you will enter where your employee pay is being disbursed from.

At least one Fund Number, Account Number, Object Code, and percentage must be entered for each employee. All employee distribution records must equal 100%. This allows an employee's wages to be split among several categories. The account distribution breakdown that is likely to occur the most often should be entered. The breakdown can be adjusted when entering the employee hours for the payroll period.

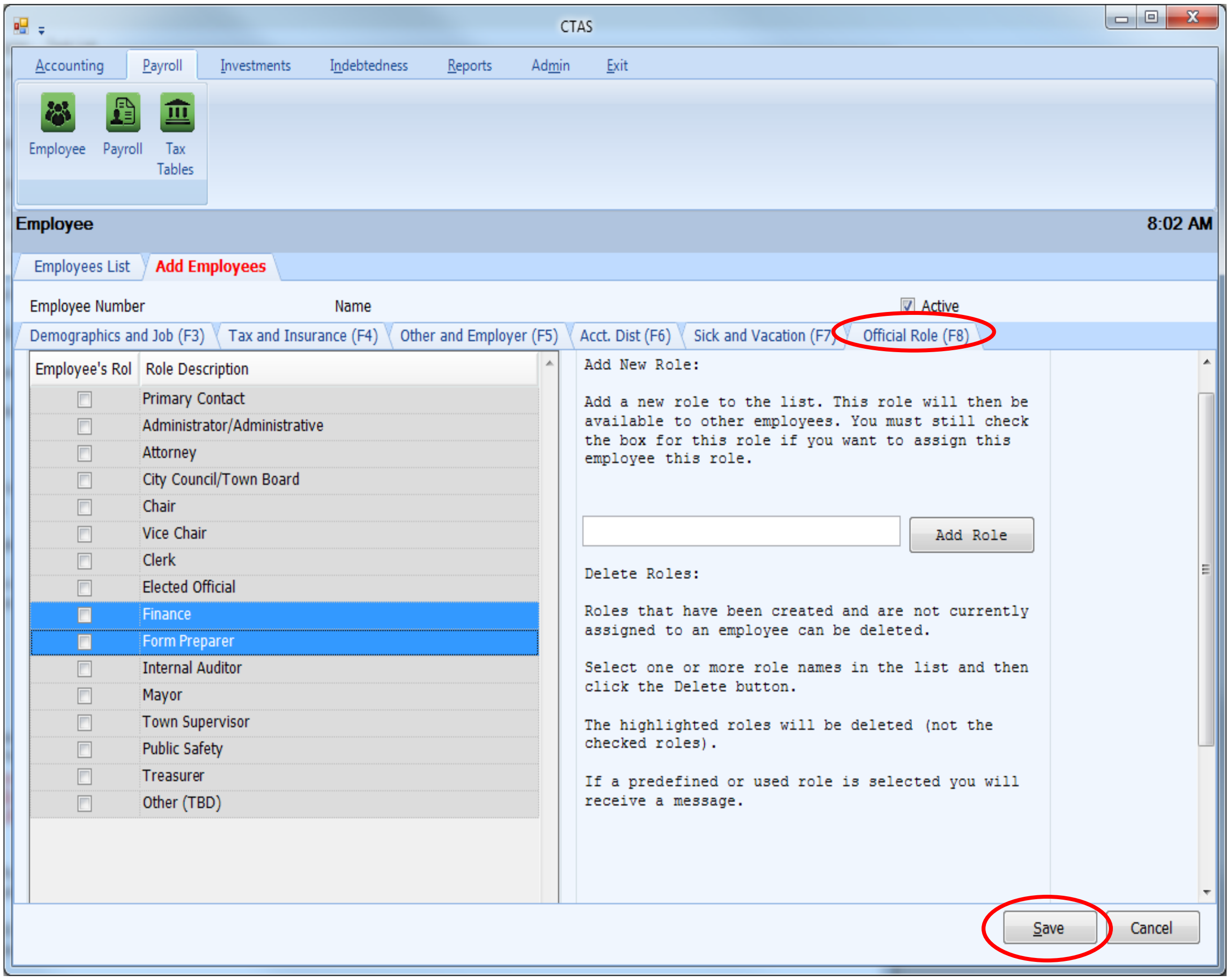
On this screen, 1.00 is equivalent to 100%: the percentages should be entered as a decimal.

When this tab is completed, users can enter Sick and Vacation benefits information by clicking on the Sick and Vacation Tab (F7). This tab is provided as an option for the cities or towns that provide these benefits. Users are not required to complete the Sick and Vacation tab.

After completing this tab (and the Sick and Vacation tab, if desired), click on the Official Role Tab (F8).

Setting Up Your CTAS System: Payroll System (continued)

Entering Information in the Official Role Tab (F8)



The sixth tab in the Add Employees tab is the Official Roles (F8) screen. Select the role or roles that pertains to the employee: multiple roles can be selected. At least one role must be selected for each employee. If a role for an employee is not listed on the screen, select the Other box.

Each entity **must** have one primary contact and at least one City Council/Town Board or Town Supervisor selected.

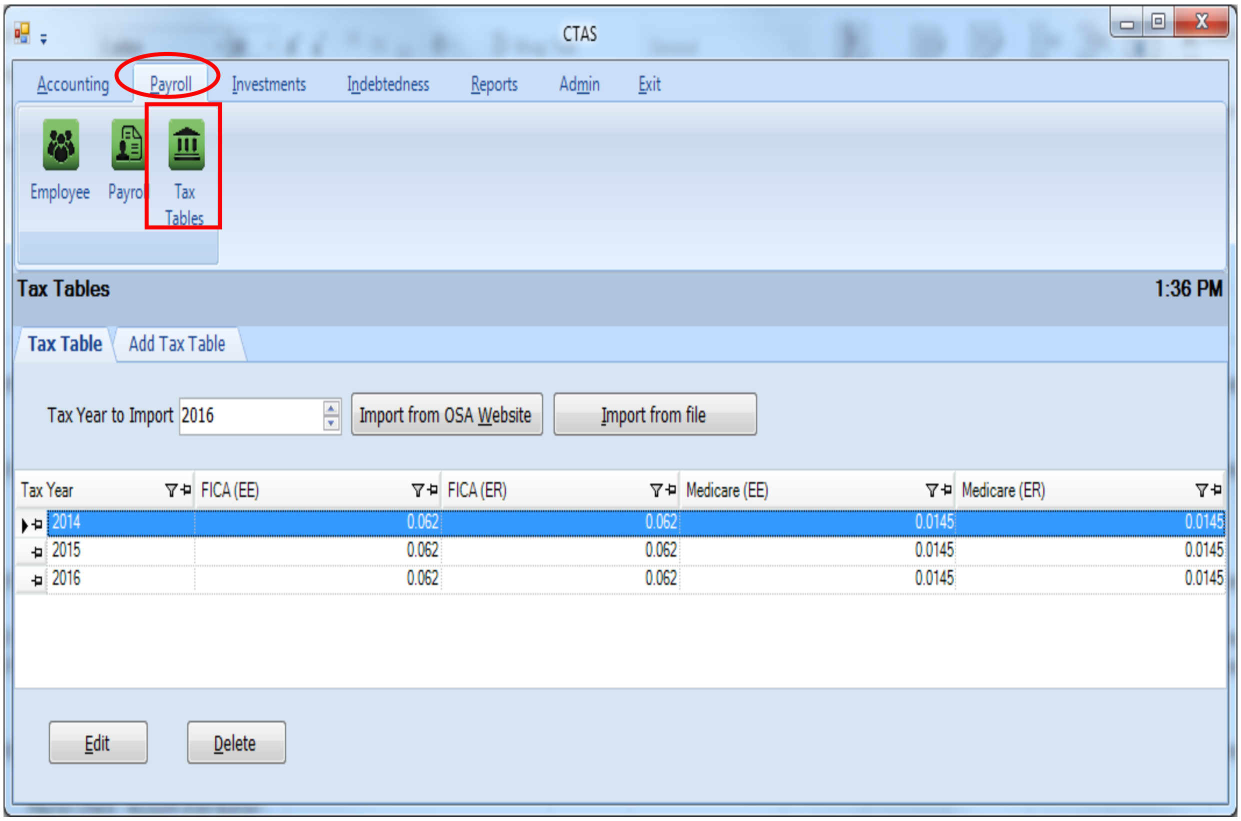
This is the last tab that must be completed when entering a new employee. When the required information has been entered on all these tabs, select the Save button.

Setting Up Your CTAS System: Payroll System (continued)

Adding Payroll Tax Tables

Once employee records have been entered, the next step required is setting up the payroll tax tables. In the Payroll module (circled), click on the Tax Tables icon (boxed) to open the Tax Tables section.

There are three options for adding tax tables. Two will be explained in the following pages; the third can be found in Chapter 15, Tax Tables.



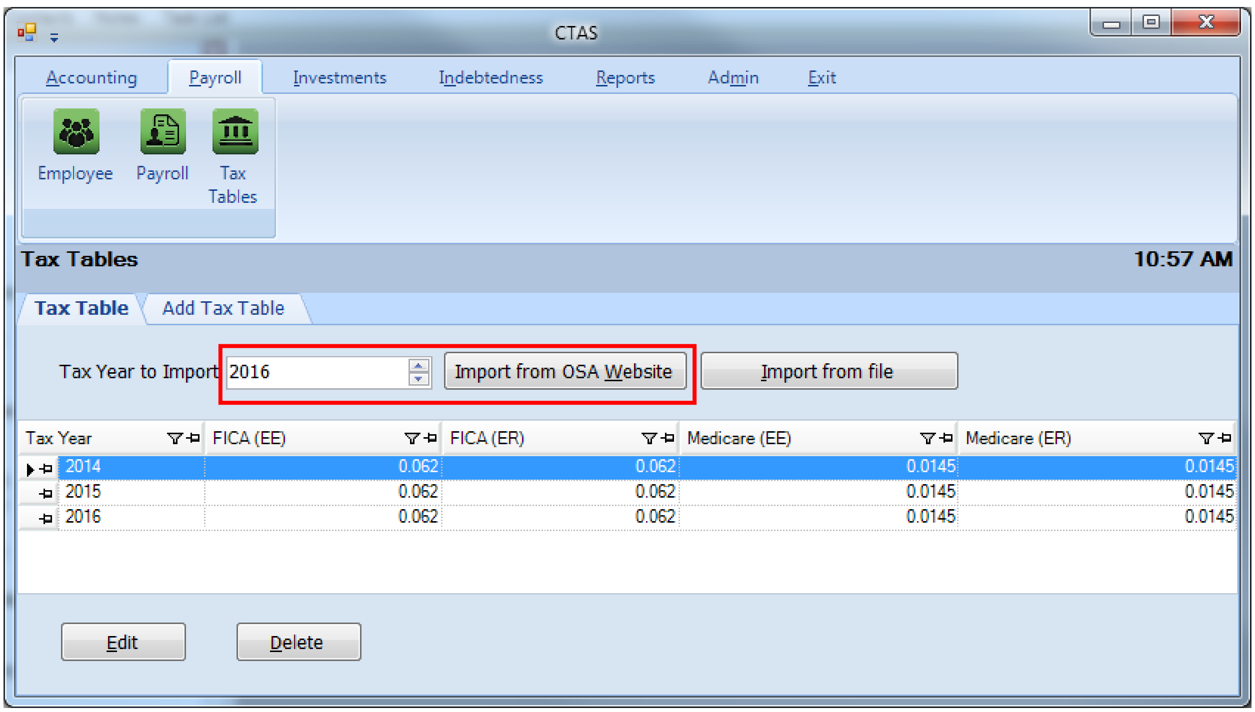
Setting Up Your CTAS System: Payroll System (continued)

Adding Payroll Tax Tables (continued)

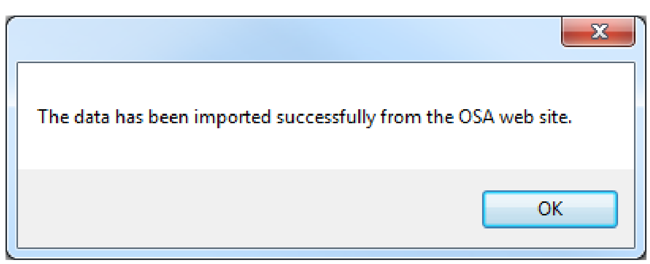
Option 1: Importing from the OSA Website via the Internet

If your computer is connected to the Internet, you can import the Tax Table directly into CTAS from the CTAS webpage at the OSA website at www.auditor.state.mn.us/default.aspx?page=ctas.

The Tax Tables screen opens to the Tax Table tab. Enter the year of the tax table you wish to import in the Tax Year to Import box (boxed), then click the "Import from OSA Website" button (boxed).



A pop-up box will appear (below) to indicate the data has been imported. Click on OK. Return to the Tax Table screen and confirm the Tax Table for the year imported has been added to the list on the screen.



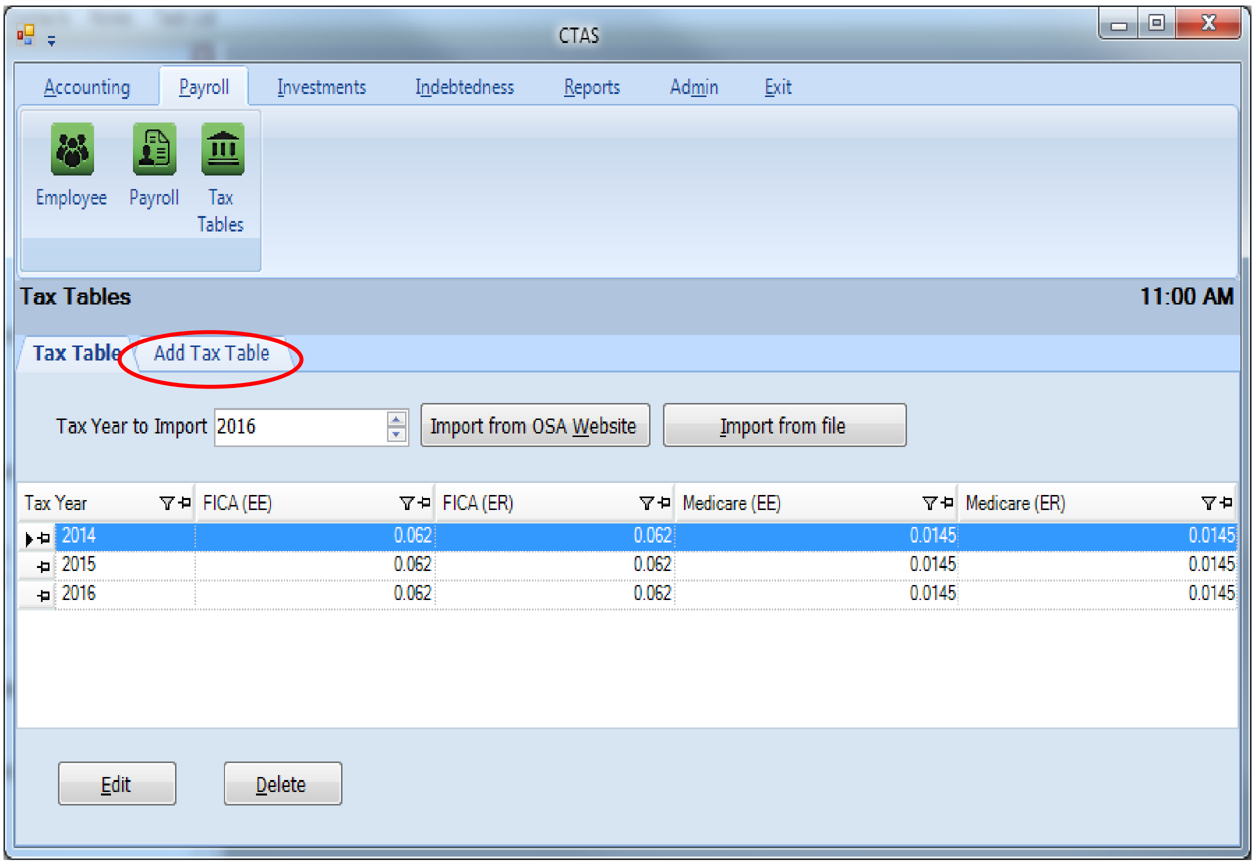
Setting Up Your CTAS System: Payroll System (continued)

Adding Payroll Tax Tables (continued)

Option Two: Manually Entering Tax Table Information

To manually enter Tax Table information, you will need to download the information from the OSA website. Go to http://www.auditor.state.mn.us/default.aspx?page=ctas and look under the "CTAS Documents" heading. Choose the Tax Tables for the year you are working with and click on the link. A pdf document will download to your computer. A sample Tax Table is shown at the end of this chapter.

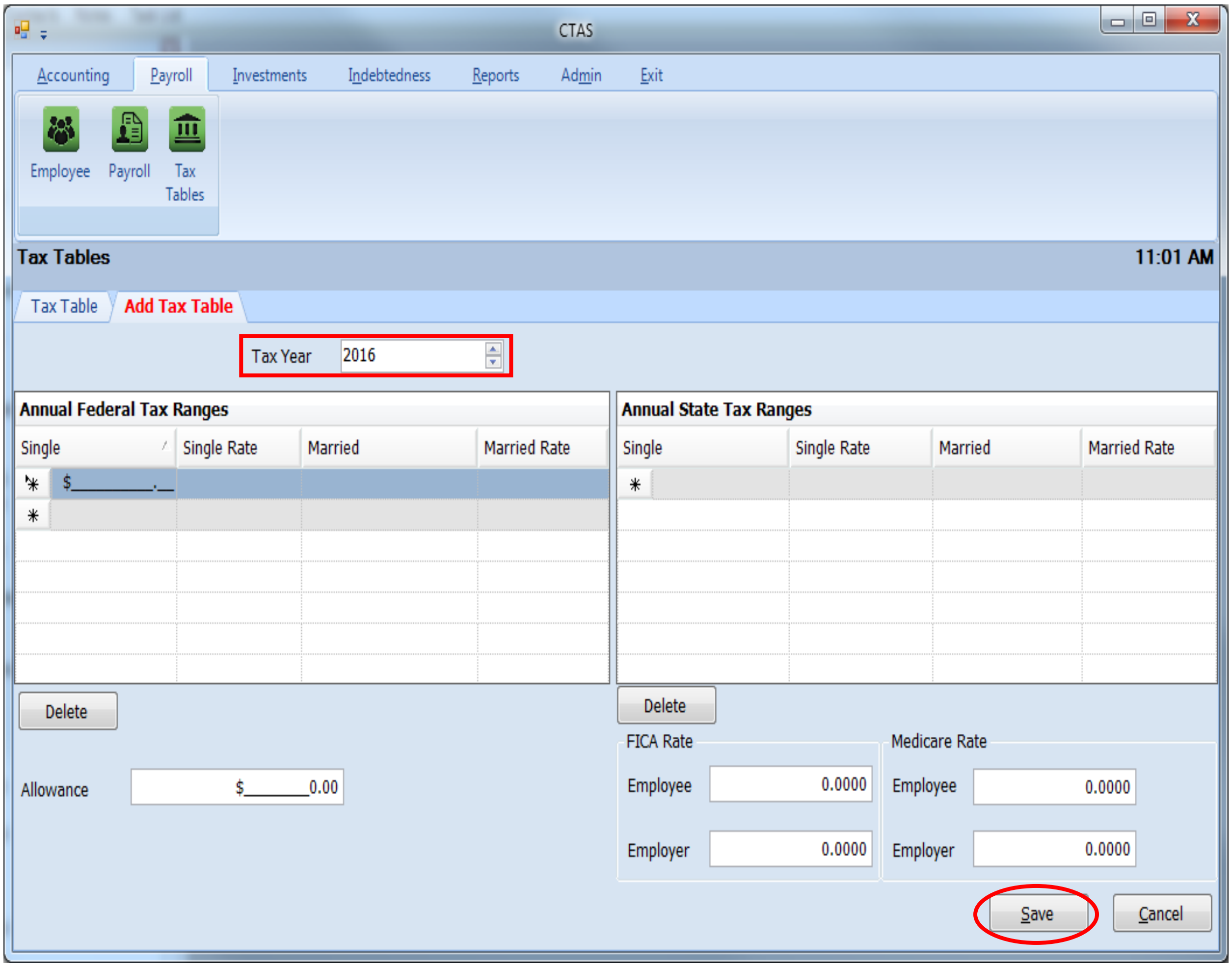
Next, go to the Tax Table screen and click on the Add Tax Table tab (circled).



Setting Up Your CTAS System: Payroll System (continued)

Adding Payroll Tax Tables (continued)

In the Add Tax Table tab, enter the tax year for the Tax Tables being entered (boxed). Next, using the Tax Table you've downloaded, enter the information into the appropriate fields. Click Save (circled) when finished.



Setting Up Your CTAS System: Payroll System (continued)

Adding Payroll Tax Tables (continued)

CTAS Version 8

2015 Tax Tables

Annual Federal Tax				
	Single	Married	Rate	
Range	2,300.00	8,600.00	0.100	
	11,525.00	27,050.00	0.150	
	39,750.00	83,500.00	0.250	
	93,050.00	159,800.00	0.280	
	191,600.00	239,050.00	0.330	
	413,800.00	420,100.00	0.350	
	415,500.00	473,450.00	0.396	
Withholding	922.50	1,845.00		
Allowance	4,000.00			
Annual State Tax				
	Single	Married	Rate	
Range	2,300.00	8,600.00	0.0535	
	27,370.00	45,250.00	0.0705	
	84,660.00	154,220.00	0.0785	
	157,250.00	266,860.00	0.0985	
Withholding	1,341.25	1,960.78		
	FICA	**Medicare**		
Employee	0.062	0.0145		
Employer	0.062	0.0145		
Rate				
P.E.R.A. Rates				
Plan	**Employee Rate**	**Employer Rate**	**Employer Additional**	**Employer Total**
Coordinated	6.50%	6.50%	1.00%	7.50%
Basic	9.10%	9.10%	2.68%	11.78%
Police & Fire	10.80%	16.20%	n/a	16.20%
Defined Contribution Plan Elected Officials	5.00%	5.00%	n/a	5.00%
Defined Contribution Plan City Managers/Administrators	6.50%	6.50%	n/a	6.50%

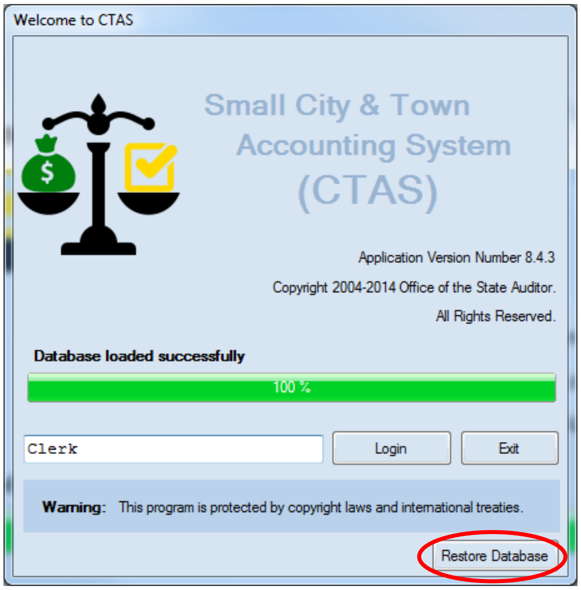
Revised 12/19/2014

Setting Up Your CTAS System: Restoring Database

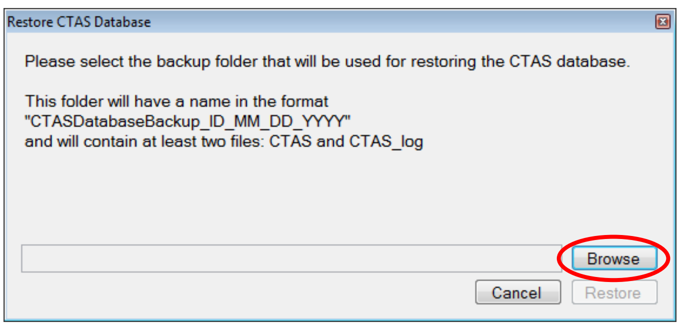
The Restore Database button copies the data from a backup file made by the CTAS system.

Note: Restoring the database from a backup will erase all of the information currently in the CTAS system.

To restore your data from a backup, open CTAS. At the CTAS Welcome screen, click the Restore Database button (circled) in the lower right-hand corner of the screen.

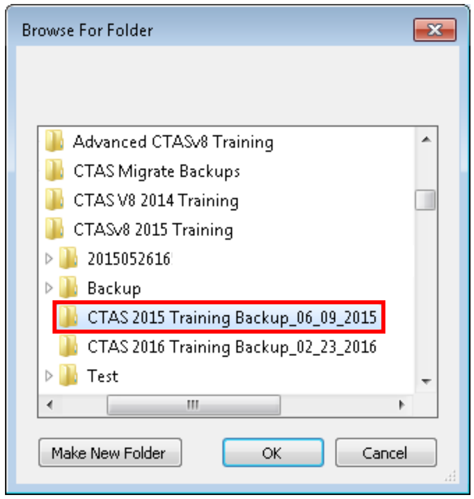


The Restore CTAS Database screen will appear. Click the Browse button (circled, below) and locate the CTAS restore folder on your backup media (flash drive, disk, etc).

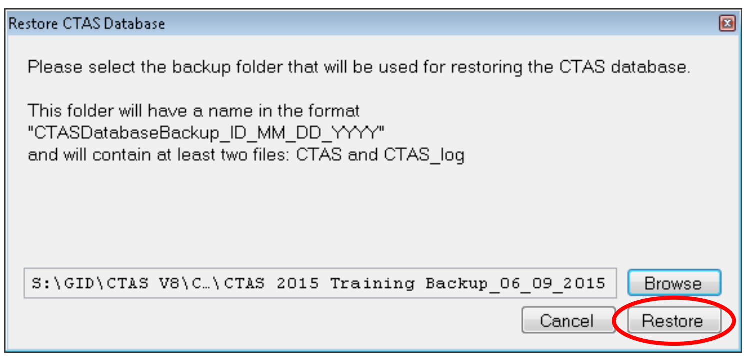


Setting Up Your CTAS System: Restoring Database (continued)

Highlight the folder (boxed), and click the OK button.



Click the Restore button (circled, below) on the Restore CTAS Database screen.



Once the database loads successfully on the CTAS Welcome screen, you can then select the Login button.

Note: Restoring the database from a backup will erase all of the information currently in the CTAS system and restore it to the date of the backup.

Setting Up Your CTAS System: Transferring Data from one Computer to Another

The first step is to make a backup copy of the CTAS data you want to move:

- Start CTAS.
- Click on the Admin tab, then the Admin icon.
- Click on the Utilities tab.
- Click on the Backup button.
- Click on the Browse button to select where to save the backup file.
- Click the OK button.
- CTAS creates the Backup folder.

Note: This file should be saved on an external storage device.

The second step is to transfer your data to the other computer:

- Make sure to have CTAS downloaded and installed on the computer.
- Start CTAS.
- On the Welcome Screen, click on the Restore Database button.
- Click the Browse button to select the location of the backup file.
- Click the Restore button to transfer the data from the backup.
- When the restore function is complete, click the OK button, then close the Restore CTAS Database box. You can then click the Login button to begin using CTAS.