

Banyon Data is sending this notice to help our customers get the new Minnesota Paid Leave that goes into effect on January 1, 2026 setup in Payroll. We have included a summary and detailed set-up, hopefully this helps ease the process of what needs to be done for the accounting and the payroll functions.

FYI:

**There are 2-rates proposed by the State of Minnesota (.88% and .66%). Banyon cannot determine or tell you which rate your City (Employer) qualifies for. Go to <https://mn.gov/deed/paidleave/> for more details or reach out to your auditor.**

It is up to the City (employer) to determine if they will pay the full % as a benefit or if they are sharing the responsibility of this tax with the employee as a deduction.

Listed below is the summary of the complete setup for Banyon Fund Accounting and Payroll, also attached is the detailed screen by screen instructions:

1. Setup Fund Accounting code in Chart of Accounts
  - a. Create new BalSht code (for Liability)
  - b. Create new Object code (for the Expense)
  - c. Add/Build GL code for Liability (to your Payroll/General Fund)
  - d. Add/Build Expense code to all Fund/Dept that apply to all employees
2. Bring in FA codes to Payroll
  - a. Codes and Descriptions #5 Account Reference – load in GL and Exp codes
3. Create Deduction (*if employer is having the employee pay a portion of tax*)
  - a. Codes and Description #6 Deduction/Benefit – do insert wizard to create the deduction
4. Create Benefit
  - a. Codes and Description #6 Deduction/Benefit – do insert wizard to create the benefit

Once the adding of the deduction/benefit wizard is completed, it will have added information to each employee selected.

If you are wanting to get it added now – they probably shouldn't schedule it during the 'wizard' setup. This will still add it to the employees but will not calculate until it is scheduled. Once you are ready to start you will go back to Codes and Descriptions #7 and check the boxes to schedule this new deduction/benefit.

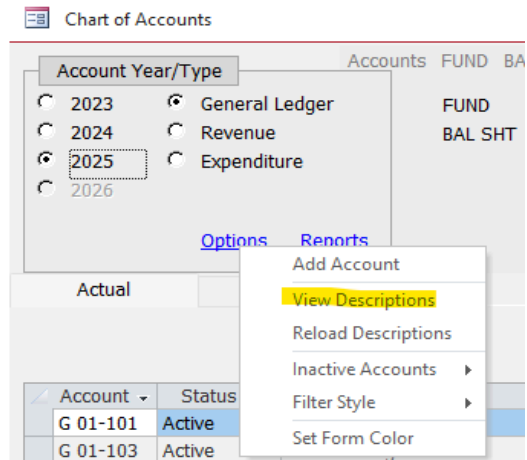
# MINNESOTA PAID LEAVE

You will need to create in **Fund Accounting** the account codes for the expense and liability to go to:

- Go to Chart of Accounts (top ribbon)
- Click on Options (top left box)

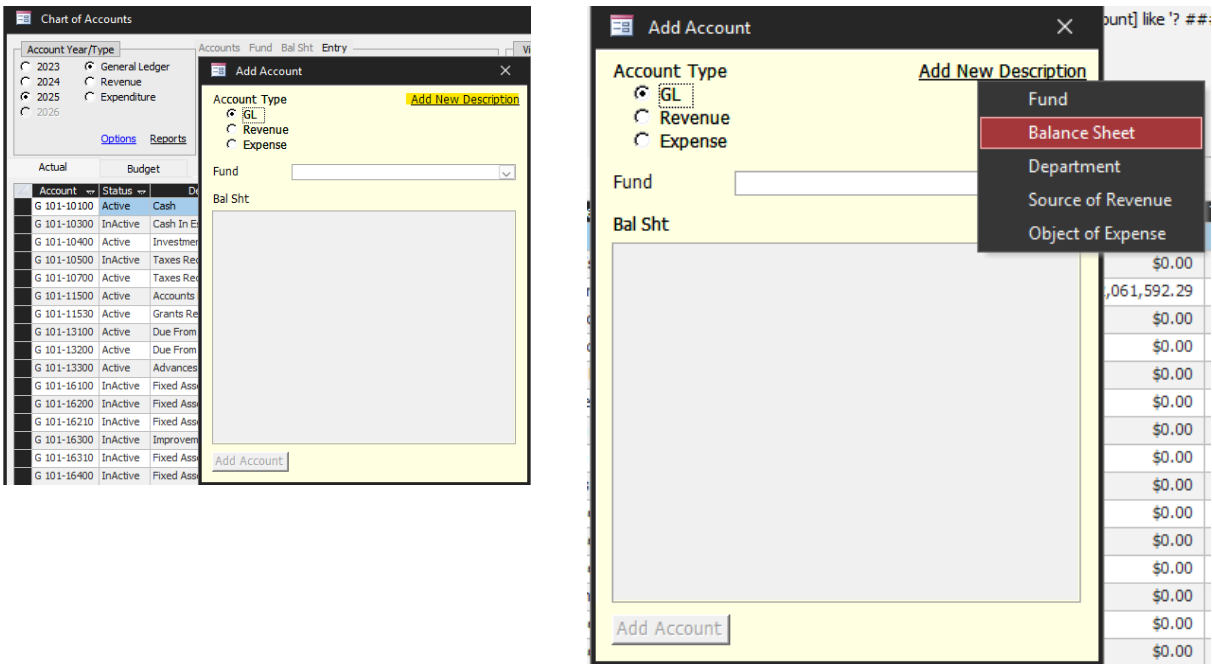
## FOR USERS WITH VERSION 13.07:

Select 'View Descriptions':



## VERSION 13.09 OR HIGHER:

Select 'Add Account' and then 'Add New Description':



Select Balance Sheet or BalSht (liability)

**Description Type**

☒ FUND [Recode](#)

☐ BAL SHT

☐ SOURCE

☐ DEPT

☐ OBJECT

☐ OPTIONAL

☐ PROJECT

Scroll down to the \* line to add the new Balance Sheet: fill in your # and description, Bal Type=liability

|   |     |               |         |           |
|---|-----|---------------|---------|-----------|
| * | 239 | MN Paid Leave | MNPDLVE | Liability |
|---|-----|---------------|---------|-----------|

Select Object (benefit-employer expense)

**Description Type**

☐ FUND [Recode](#)

☒ BAL SHT

☐ SOURCE

☐ DEPT

☐ OBJECT

☐ OPTIONAL

☐ PROJECT

Scroll down to the \* line to add the new Object: fill in your # and description, fill in ALT code if you use it.

|   |     |                         |           |         |
|---|-----|-------------------------|-----------|---------|
| * | 135 | MN Paid Leave Insurance | MNPDLEAVE | PAYROLL |
|---|-----|-------------------------|-----------|---------|

Once the description types are entered. You will need to attach the expense to all appropriate Funds and Dept you use in Payroll and add the BalSht type to the Payroll Fund (most likely General Fund) Go to options again and select 'Add Account':

The screenshot shows the 'Chart of Accounts' window. On the left, under 'Account Year/Type', there are radio buttons for years 2023, 2024, 2025 (selected), and 2026. In the center, there are radio buttons for 'General Ledger', 'Revenue', and 'Expenditure'. On the right, under 'FUND', there are options for 'FUND' and 'BAL SH'. Below these, there is a table with columns 'Account' and 'Status'. The first row shows 'G 01-101' and 'Active'. A context menu is open over the table, with 'Add Account' highlighted in yellow. Other menu items include 'View Descriptions', 'Reload Descriptions', 'Inactive Accounts', 'Filter Style', and 'Set Form Color'.

(LIABILITY) GL, Fill in Fund, Select new type, Add

The screenshot shows the 'Add Account' dialog box. At the top, there is a section for 'Account Type' with radio buttons for 'GL' (selected), 'Revenue', and 'Expense'. Below this is a 'FUND' dropdown menu with '01 Banyon Data Systems' selected. Underneath, there is a section titled 'Select one or more 'BAL SHT'(s) to add' with a 'Select All' link. A list of account descriptions is shown, including '01-102 Petty Cash', '01-120 PERFORMANCE BOND', '01-130 IOWA STATE', '01-142 Inventory for Resale', '01-145 Prepaid Expenses', '01-150 Employee Advances', '01-202 GCS Limited Payable', '01-207 Notes Payable -Vision', '01-210 N\P-Officer', '01-219 PAYROLL PAYABLE', '01-223 FICA', '01-226 Est Tax State', '01-227 Est Tax Federal', and '01-239 MN Paid Leave'. The last item, '01-239 MN Paid Leave', is highlighted. At the bottom, there is a yellow button labeled 'Add Account'.

(BENEFIT) Expense, Fill in Fund, Dept, Select Type, Click on the new object, Add

Add Account

×

Account Type

☐ GL

☐ Revenue

☒ Expense

FUND

01 Banyon Data Systems

▼

DEPT

00 Administrative

▼

Select one or more 'OBJECT'(s) to add

Select All

01-00-103 Salaries Part Time

01-00-104 Temporary Help

01-00-135 MN Paid Leave Insurance

01-00-203 Referral Opportunity Program

01-00-585 Website Design/Development

01-00-610 DO NOT USE

01-00-612 Hardware for Resell

01-00-800 Refund Software

01-00-801 Refund Support

01-00-802 Refund Training

01-00-803 Refund Travel Expenses

01-00-900 LOSS

Add Account

## In Payroll:

You will need to bring into Payroll the Fund Accounting codes you created:

Go To CODES AND DESCRIPTIONS:

Select #5 Account Reference

Select Load from BDS Accounting (top middle)

Select General Ledger: Click the GL you created and click to load

Select Expenditure: Click all the fund/dept/obj codes you created and click load

| Account  | Reference Description      |
|----------|----------------------------|
| G 01-231 | AFLAC - VISION             |
| G 01-232 | TX Jobs and Training       |
| G 01-233 | Gamishment                 |
| G 01-234 | HEALTH - COBRA             |
| G 01-235 | AFLAC                      |
| G 01-236 | Culligan Water             |
| G 01-237 | Car Withholding            |
| G 01-238 | Shareholder Health         |
| G 01-239 | MN Paid Leave              |
| G 01-240 | Promissory Note#1-Purchase |
| G 01-241 | Promissory Note#2-loan     |

Select #6 Deduction/Benefit

Click New Deduction/Benefit (bottom) -follow the steps:

To create Deduction: *(if employee will share the MN Paid Leave Tax-if not only create the Benefit code)* Click Deduction for Employee rate - follow steps:

To create Benefit: Click Benefit-regular for Employer rate

What new deduction/benefit would you like to add?

Deductions:

- ☐ State Tax
- ☐ Local Tax
- ☐ Retirement (Employee Contribution)
- ☐ Earned Income Credit
- ☒ Other Deduction

Benefits:

Deduction: if pre-taxed check the boxes that apply as pre-taxed deduction

Benefit: DO NOT check the boxes as it would tax the benefit to the employee

New Deduction/Benefit Wizard

Is this deduction a tax sheltered item (gross is reduced by its amount before tax is computed). Which of the following taxes are affected?

☐ Federal Tax

☐ State Tax

☐ Local Tax

☐ Social Security and Medicare

[Go Back](#) [Next](#) [Finish](#) [Cancel](#)

Label the Deduction (and Benefit when you are doing )

New Deduction/Benefit Wizard

Enter Short Name for this Deduction

Fill in the rate when doing the deduction and also the benefit

New Deduction/Benefit Wizard

Enter the default amount or rate. The wizard will later ask if you want to adjust them for individual employees. If both amount and rate are given, the system will compute both the percentage and the flat amounts.

Amount

Rate

Specify maximum accumulative amount if applicable

Annual Limit

Monthly Limit

Click on all employees – this will auto fill the deduction and benefit when the wizard is finished to the employees



New Deduction/Benefit Wizard

Select Employees having this deduction

|                     |
|---------------------|
| GARNER, JOHN A.     |
| HO, HIEU NGO        |
| LAURSEN, MAUREEN    |
| SHAND, DEBORAH K    |
| STENSRUD, HEIDI ANN |
| THAI, RANDY         |
| TON NU, ANNA T      |

2 employee(s) selected

[Go Back](#) [Next](#) [Finish](#) [Cancel](#)

Select how often the deduction and benefit with calculate

New Deduction/Benefit Wizard

How often do you use this deduction

☒ Every payroll

☐ Only on 1st payroll of the month

☐ Only on 2nd payroll of the month

☐ Only on 1st & 2nd payrolls of the month

☐ Will schedule to use when needed

[Go Back](#) [Next](#) [Finish](#) [Cancel](#)

BENEFIT ONLY SCREEN – select the object code. This will calculate to the Fund and Dept the employee gets paid from

New Deduction/Benefit Wizard

Enter/Select the Expense Object to debit from your BDS Accounting for this benefit

|     |                              |
|-----|------------------------------|
| 103 | Salaries Part Time           |
| 104 | Temporary Help               |
| 110 | COVID-19 pay                 |
| 115 | Bonus Pay                    |
| 121 | Retirement                   |
| 122 | FICA Contribution            |
| 131 | Health                       |
| 132 | Dental                       |
| 133 | Life                         |
| 134 | WORKERS COMPENSATION         |
| 135 | MN Paid Leave Insurance      |
| 141 | Unemployment Payment         |
| 142 | DISABILITY                   |
| 143 | COMMERCIAL INSURANCE         |
| 147 | Lease Insurance (Car)        |
| 150 | Employee Training            |
| 201 | Office Supplies              |
| 202 | Computer Supplies/           |
| 203 | Referral Opportunity Program |
| 301 | Accounting Fees              |

Go Back Next Finish Cancel

Select End of Calendar year as a reset accumulation

New Deduction/Benefit Wizard

At the end of which cycle do you reset the Accumulated Total

|                         |
|-------------------------|
| at End of Calendar Year |
| at End of Fiscal Year   |
| at End of 1st Quarter   |
| at End of 2nd Quarter   |
| at End of 3rd Quarter   |
| at End of 4th Quarter   |
| at End of January       |
| at End of February      |
| at End of March         |
| at End of April         |
| at End of May           |
| at End of June          |
| at End of July          |
| at End of August        |
| at End of September     |
| at End of October       |
| at End of November      |
| at End of December      |

Go Back Next Finish Cancel

Add the Fund Accounting Liability code from the drop down list



New Deduction/Benefit Wizard

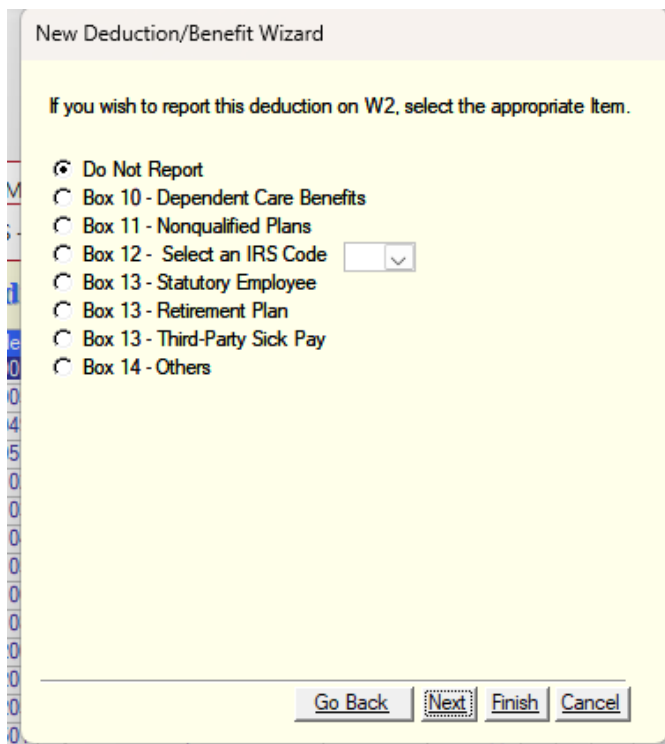
Select a Liability Account to hold this Deduction/Benefit amount so that you can write a check to pay to its vendor later.

G 01-239 MN Paid Leave

Go Back Next Finish Cancel

This screenshot shows a 'New Deduction/Benefit Wizard' dialog box. It has a title bar and a main area with a yellow background. The instruction 'Select a Liability Account to hold this Deduction/Benefit amount so that you can write a check to pay to its vendor later.' is displayed. Below it is a dropdown menu showing 'G 01-239 MN Paid Leave'. At the bottom, there are four buttons: 'Go Back', 'Next', 'Finish', and 'Cancel'.

If the Deduction is reported on the W2 – you can select where from the screen



New Deduction/Benefit Wizard

If you wish to report this deduction on W2, select the appropriate item.

- ☒ Do Not Report
- ☐ Box 10 - Dependent Care Benefits
- ☐ Box 11 - Nonqualified Plans
- ☐ Box 12 - Select an IRS Code
- ☐ Box 13 - Statutory Employee
- ☐ Box 13 - Retirement Plan
- ☐ Box 13 - Third-Party Sick Pay
- ☐ Box 14 - Others

Go Back Next Finish Cancel

This screenshot shows the same 'New Deduction/Benefit Wizard' dialog box. The instruction now is 'If you wish to report this deduction on W2, select the appropriate item.' Below this is a list of radio button options: 'Do Not Report' (which is selected), 'Box 10 - Dependent Care Benefits', 'Box 11 - Nonqualified Plans', 'Box 12 - Select an IRS Code' (with a small dropdown arrow), 'Box 13 - Statutory Employee', 'Box 13 - Retirement Plan', 'Box 13 - Third-Party Sick Pay', and 'Box 14 - Others'. The 'Next' button is highlighted with a dashed border. The 'Go Back', 'Finish', and 'Cancel' buttons are also visible at the bottom.

**FINISH**