Employee Deductions

Setup Employees · https://staging.proclock.com/help/kb/managers/manager-getting-started/setup-employees/employee-deductions/

Overview

The **Employee Deductions** page in ProClock allows administrators and payroll managers to configure, review, and manage various types of employee deductions and reimbursements. This feature supports compliance with payroll regulations and ensures accurate payroll processing.

Accessing the Employee Deductions Page

1. Go to the Employee Profile.
2. Click the Deductions / Reimbursements button.

Types of Income and Deductions

ProClock supports five types of income and deductions. Each type can be selected from a dropdown menu, which will enable the relevant input fields for configuration.

Amount

- **Definition:** Deducts or reimburses a fixed dollar amount per pay period.
- **Example Use:** Uniform monthly health insurance deduction.

Percent

- **Definition:** Deducts a percentage of the employee’s gross pay.
- **Example Use:** 401(k) contributions set at 5% of gross pay.

Hourly

- **Definition:** Deduction or reimbursement is calculated based on the number of hours worked.
- **Example Use:** Charging employees $0.50 per hour for meals.

Garnishment

- **Definition:** Court-ordered deductions, such as child support or tax levies, applied as a fixed amount or percentage.
- **Compliance:** ProClock ensures employees receive the minimum exempt amount as required by federal law before garnishments are applied.

Disposable

- **Definition:** Deductions calculated from disposable income (gross wages minus mandatory deductions such as taxes and Social Security).
- **Example Use:** Calculating deductions for wage garnishments based on disposable income.

Field Descriptions

Below are the main fields you will encounter on the Employee Deductions page:

- **Type:**Select the deduction type (Amount, Percent, Hourly, Garnishment, Disposable). This is a required field.
- **Amount/Rate:**Enter the fixed amount, percentage, or hourly rate, depending on the selected type. This is a required field.
- **Limit Amount:**(Optional) Set a maximum limit for the total deduction or reimbursement. If left blank, the deduction will continue without a cap.
- **Description:**Add a brief description or note for the deduction. This is optional but recommended for clarity.
- **Effective Date:**Specify when the deduction should start. This is a required field.
- **End Date:**(Optional) Specify when the deduction should end.
- **Active:**Toggle to enable or disable the deduction. This is a required field.

Common User Questions

How do I set up a deduction for a specific employee?Go to the Employee Deductions page, select the employee, choose the deduction type, fill in the required fields, and save.

What happens if I leave the Limit Amount blank?The deduction will continue without a cap until the end date or until manually disabled.

Can I apply multiple deductions to one employee?Yes, you can add multiple deduction entries for each employee.

How does ProClock handle garnishments in compliance with federal law?ProClock automatically calculates the minimum exempt amount and ensures garnishments do not reduce pay below this threshold.

What is considered disposable income?Disposable income is gross pay minus mandatory deductions (federal/state taxes, Social Security, Medicare, and required retirement contributions).

Troubleshooting Guide

Deduction not appearing on payroll:

- Verify the deduction is marked as **Active**.
- Check the **Effective Date** and **End Date**.
- Ensure the deduction type and amount/rate are correctly entered.
- Confirm the employee is assigned to the deduction.

Garnishment amount is incorrect:

- Review the garnishment order for correct details.
- Ensure the deduction is set as **Garnishment** and not another type.
- Check if the employee’s disposable income is sufficient for the garnishment.

Limit Amount not working:

- Confirm the **Limit Amount** is entered in the correct field.
- Ensure the deduction has not already reached the limit in previous pay periods.

Best Practices

- Always double-check deduction types and amounts before saving.
- Use the **Description** field to note the reason or source of the deduction.
- Regularly review deductions for compliance with federal and state laws.
- Set **End Dates** for temporary deductions to avoid manual removal.