USPS Fiscal Year-End Review

2018

5/18/2018

Pre-Closing NC1 Payments

- _____ date/time
- **If you have anyone retiring as of June 30, process the NC1 payment now for the cost of life insurance if insurance is valued over $50,000.**
- This will prevent manual changes at calendar year-end.
- Reference IRS Publication 15-B

  www.irs.gov/pub/irs-pdf/p15b.pdf
  - Pages 11-14
- Use the pay type NC1 in UPDCAL/FUT or UPDCAL/CUR for the taxable amount of the life insurance. See document 'Reporting Taxable Amount of Life Insurance Premiums'.

Pre-Closing NC1 Payments

- UPDCAL


```
ID: 222222202  Job: 01  Name: CONNIE       ALLMO
                         Daily  Rate:   73.920  Position: REG TRANSP
    Work days: 10                                    Tax       Reg/
    Type   Units        Rate      Amount  Description  Opt Ret  Spec
    REG    10.00       73.920     739.20  Regular wages    _   __
    ACC                          -210.39  Accrued wages    _   __
    NC1     1.00       55.800      55.80  Excess of life   _   __
```

Pre-Closing NC1 Payments

- NC1 Payment
  - Neither Federal, State nor OSDI taxes are withheld
    - The NC1 payment is added to wages even though no tax is withheld
  - Medicare and FICA are withheld
  - Flag in DEDNAM city records controls whether city tax is withheld. Even if flag is set to "N", the amounts are added to the wages.
    - Manually change the wages if not the desired effect

Pre-Closing NC1 Payments

- USPSDAT/DEDNAM

```
Code: 004     Type: CITY         Name: CITY OF CIRCLETOWN
Required: 1  Job Level: Y   Abbrev: CIRCLETW  W2 Abbrev:
                 P A Y   T O   I N F O R M A T I O N
Vendor: _____   Name: CITY OF CIRCLETOWN
                       _____
          Address: 123456 CIRCLE ROAD
                   _____
                   CIRCLETOWN       , OH 12345-____

Tax Entity code: _____   RITA: ___
Tax Med/FICA pickup: Y   _____
Tax Non-Cash Earn  : Y  CCA : ___
Tax Board Amounts  : N   _____

   __ __ __ __ __ __ __ __ __ __
```

Pre-Closing NC1 Payments

- NC1 amounts are not included in total gross pay charged to USAS
    - Reports provide special totals for balancing
        - PAYRPT
        - PAYSUM
        - QRTRPT
        - The PAY_AMOUNTS view in Safari can be used to pull only NC1 pay types from selected pay dates range.
- NC1 payment added to special fields on JOBSCN, screen 3

Pre-Closing Job Calendars

- _____ date/time
- Job Calendars
  - Job calendars for the 18-19 school year can be created in the system as soon as board approved
  - You should _NOT_ delete the old calendars, but just continue to add months on your current calendars.
  - Utilize USPSDAT/CALMNT option
  - The CALMNT 'Copy' function can be helpful when you have multiple calendars.

Pre-Closing New Contracts

- _____ date/time
- New Contracts
  - New contracts can be entered for those positions with a July 1 start date
  - Contracts with other start dates can be entered if the information is available

Pre-Closing EMIS Staff

- _____ date/time
- EMIS Staff Reporting
  - Use checklist at www.noacsc.org
    - FISCAL SERVICES
    - EMIS STAFF DOCUMENTATION
    - FY18 Final EMIS Staff L Reporting Guide
  - After completing the checklist, confirm with your EMIS Coordinator that there are no staff related Level 1 validation errors and no Staff Missing.
  - Corrections after starting the new fiscal year need to be made in the Flat File Editor.

Pre-Closing USPCON

- _____ date/time
- USPSDAT/USPCON
  - STRS Advance fields should be blank

```
Payroll Processing:
STRS Advance Mode      : _
STRS Advance Amount    : _____
STRS Ann. File Sent On: 06/27/2005
STRS Ann. File Sent By: DISTRICT
Highest Check Number   :    38774
Highest Direct Deposit :  504872
Highest Electronic Trans:       1
Version                :  V42
STRS Pay Base          :  1
```

Pre-Closing Termination Date

- Note: The employee termination date on BIOSCN must be updated when an employee leaves the district. This field should not be confused with the termination date on job records. **STRSAD** will check the employee termination date on BIOSCN.

Pre-Closing STRSAD ACCRUED_WA

- _____ date/time

To determine if an employee's job is to be advanced, verify the following information for each job using the report called **ACCRUED_WA** (MENU> **ACCRUED_WA**):

- The days worked in contract must be equal to work days in Contract.

- The Number of Pays Paid in Contract must be less than the Number of Pays in Contract.

Pre-Closing STRSAD STRS_STATU

- _____ date/time
- To verify the status of the part-time/full-time fields on the 450 deduction records, run the report **STRS_STATU** (MENU>**STRS_STATU**) and review the **STRS_STATUS.TXT** report.

Pre-Closing STRSAD

- _____ date/time
- STRSAD for the STRS Annual Report
  - Can be executed now to begin balancing and verification of data
    - Select option '1'
    - Note: Dates are based on the academic calendar, the first day and the last day students are in session.
    - Program will project days through the end of the fiscal year to determine jobs to advance and calculation of credit
    - Earnings include those in the future
    - Advance amount will be too large until all June pays are completed
  - Creates 3 reports

Pre-Closing STRSAD STRSAD.TXT

- _____ date/time checked
- STRSAD.TXT will list the employees that will be advanced and the amounts. If you run this before the last payroll in June, (just to check it out), you might not get everyone on the report, because they might not have worked all of their contract days.
- **Employees reported in the advance mode should be consistent with prior years**.
- Check supplemental contracts.
- For employees to be reported on the STRSAD report they will need to have:
  - Work days equal to days worked
  - Amount remaining to pay greater than zero
  - Pays greater than pays paid

Pre-Closing STRSAD STRSAD.TXT

- You will see an accrued contribution amount calculated for each advanced employee. This accrued amount will be the amount of earnings not yet paid times the employee's STRS withholding rate.

- Accrued contribution amount is calculated using the pay per period from JOBSCN for the remaining pays minus 1, then at the last pay, the final calculation occurs.

Pre-Closing STRSAD STRSAD.TXT

- STRSAD Accrued Contribution sample calculation:

Obligation = 36390

Pay per period = 1399.62

paid = 26/22

23rd pay 1399.62 x 14% = 195.95

24th pay 1399.62 x 14% = 195.95

25th pay 1399.62 x 14% = 195.95

26th pay

  Obligation   36390

\- Paid 25 pays   34990.50

   Remaining   1399.50 x 14% = 195.93

Total accrued contributions calculated by STRS

195.95 + 195.95 + 195.95 + 195.93 = 783.78

Pre-Closing STRSAD STRSAD.RPT

- _____ date/time checked
- **STRSAD.RPT** - This report will list all STRS employees, deposits and any advanced amounts, and give you a grand total of all deposits.
- Refer to the handout on STRSAD.RPT and the STRS Decision Tree.
- When running STRSAD, the total number of warnings and errors were listed to the screen. The specifics on these errors and warnings are listed on this report.
- Reference the handout STRSAD Errors and Warnings for explanations

Pre-Closing STRSAD STRSAD.RPT

Employee's service credit needs to be verified here.

- Employees with 120 or more days receive 100% credit
- Employees with less than 120 days receive credit based on STRS decision tree.
- Employees classified as part-time have service credit based on STRS decision tree
  - Part-time flag on 450 must be set as needed
  - If uncertain of an employee's status contact STRS
- Re-Employed retirees will always have 0% credit reported with contributions.
  - Calculated service credit for rehired retiree will flag a warning on the STRSAD.RPT report.
- Staff retiring and rehiring in the same fiscal year will appear twice on the report, one line for contributions earned prior to retirement and one line for contributions earned after retirement.
- Balance the amount showing in the Deposits/Pickup column included on the report. This amount should be the total of deduction checks already written to STRS plus the warrant checks for pickup amounts.

Pre-Closing STRSAD NONADV.TXT

- _____ date/time checked
- **NONADV.TXT** – This report will list some of the employees that are not to be advanced. You should check this report to make sure a job or employee isn't missed from the advance.

Pre-Closing STRSAD 3 reports

- Verify the data on all three reports and check for errors.

- **IF YOU HAVE ERRORS THAT CAN'T BE RESOLVED, DO NOT PROCEED!!! CONTACT NOACSC**.

Pre-Closing Final Payroll

- Finish final payroll for the fiscal year.
  - Including SERSREG and submission to eSERS
- <u>Only</u> run QRTRPT for the <u>demand</u> option '<u>N</u>'!!!!!

Month-End Closing SERSMONTH

- _____ date/time
- Run SERSMONTH to clear MTD totals from 400, 590, and 690 records
- **You now must run SERSMONTH every month!**
- Creates ABS101, BENRPT and CHKSTS reports on PAYROLLCD pages

Month-End Closing

- _____ date/time
- Run CHKSTA or PAYREC to reconcile checks
- Run USPRPT/CHKSTS to get list of outstanding checks
- Balance payroll account
- Run BENACC if necessary for the month
- Complete your normal month end process

Final STRSAD DOCK/POF

- _____ date/time
- If aware of dock amounts on 1st July payroll, or any payrolls over the summer, enter those in 'Dock Next Pay' on JOBSCN
  - Will be included in calculations by STRSAD

- _____ date/time
- If aware of early contract pay offs
  - Change the number of pays
  - Be cautious – pay per period may get changed.

Final STRSAD

- _____ date/time
- STRS annual report processing
  - STRSAD
    - Select option '1'
- STRSAD selects all employees and jobs that were subject to STRS withholding
  - All employees with any amount are listed on the STRSAD.RPT
  - Service credit is calculated based on the STRS decision tree

Final STRSAD

- Employees with STRS jobs that have:
  - 1) Work days equal days worked
  - 2) Amount remaining to pay greater than zero
  - 3) Pays greater than pays paid

  will have an accrued contribution amount calculated for them. This accrued amount will be the amount of earnings not yet paid times the employee's STRS withholding rate.

Final STRSAD

- Accrued contribution amount is calculated using the pay per period from JOBSCN for the remaining pays minus 1, then last pay calculation occurs
- STRSAD creates three reports for you to review.
  - STRSAD.TXT
  - STRSAD.RPT
  - NONADV.TXT

Final STRSAD

- STRSAD.TXT
  - Lists all employees with an accrued contribution calculation
    - May be inflated if fringe benefit flag on 450 is set to "Y" and employee has 691 with inflated rate
  - Should be checked carefully
  - Be consistent with prior years
  - Check supplemental contracts, many times missed

Final STRSAD

- NONADV.TXT
  - Lists some of the employees with jobs that are not advancing
    - If job has no amounts remaining to pay but meets all other criteria
    - If days worked plus remaining days from calendar through June 30th exceed the total work days
    - Not a catch of all potential jobs/employees

Final STRSAD

- STRSAD.RPT

  - This is the complete fiscal year-end report for all STRS employees, including all non-advanced and advanced employees.

- Verify service credit

Final STRSAD

- If you made any corrections, rerun STRSAD for option 1 and verify

- _____ date/time

- If **STRSAD.RPT** is correct, there are **NO** errors, **ALL** warnings are checked out and known to be correct, and the employee statuses for **STRS** are correct, then run **STRSAD** for option 2. This will **ACTUALLY UPDATE YOUR FILES**. This procedure also creates a file (**STRSAD.1607**) which is the file to be sent to **STRS**. Note- dates are based on the Academic Calendar, the first day and the last day students are in session.

Final STRSAD

- STRSAD run for option 2
  - Sets advance flag on jobs to "*"
  - Sets closing date in USPCON
  - Places total accrued contribution amount in USPCON
  - Creates annual reporting submission file
  - Creates temporary holding file for retirement deduction rates as they were in DEDSCN when option '2' ran (SAVADV.IDX)
  - Advance field appears on JOBSCN
  - Advance error adjustment fields appear on STRS deduction records
  - Creates PayrollCD reports

Final STRSAD

- Be sure to print and save the three report files, **STRSAD.TXT**, **STRSAD.RPT** and **NONADV.TXT**, generated by this program. These reports are also saved to the Payroll reports Web Page.

- Print final copies of any other reports as needed.

Final STRSAD

- _____ date/time
- Send an email message to USAS_LIAISONS@NOACSC.ORG when your STRS advance is complete

Final STRSAD ANNSTRSSND

- _____ date/time
- Run the program **ANNSTRSSND**

**If you are a RENHILL/WIXEY district, do not run ANNSTRSSND until after the file is received from Renhill/Wixey and merged with your data

- Contact us to merge the files

- This program works in the same manner as the transmission of the STRS per pay data submissions (STRS_SEND). It will send your annual report on to STRS. **This option should only be processed once.**

- A message will be displayed on the screen when the file is successfully sent to STRS.

- ANNSTRSSND updates USPSDAT/USPCON information

Quarter-End Closing PAYDED

- _____ date/time
- PAYDED
  - Generate a non-zero deduction report
    - Enter an "A" in the Payment Option field
    - Leave cycle blank
    - Leave codes blank
  - Generally there are no outstanding deductions at quarter-end

Quarter-End Closing ODJFSRPT

- _____ date/time
- Run ODJFSRPT to NOT create the submission file
  - Check all totals and weeks; 13 weeks in this quarter

- _____ datetime
- When all data is correct, rerun ODJFSRPT and enter 'Y' for creation of submission file
- Reminder - Taxable amount listed on report is used only for contributing employers, calculated value based on ODJFS rules

Quarter-End Closing ODJFSRPT
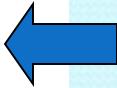
ODJFSRPT-Ohio Department of Job & Family Services Unemployment Reporting
Report File Specifications:
 Report file   ODJFSRPT.TXT
 Error Report file   ODJFSERR.TXT
 Print options page? (Y,N)   Y
 Optional heading line
 Sort option (S/N):   S

Selection Criteria:
 Create a submission file? (Y,N)   N
 Reporting Year: 2018   Reporting Quarter 2   Max number of weeks: 13
 Federal EIN: 333333333   ODJFS Account Number: 888888888
 District name: SIMPLE CITY SCHOOLS
 Street address: 123 WEST CRAZEE ROAD
 City: CRAZYTOWN   State: OH Zip: 44444-____
 Tax Rate: _____
 Interest Amount: _____
 Penalty Amount: _____

Fiscal Year-End Closing Late-Distributions

- Make sure all June late distributions have been distributed (BRDDIS, June payrolls). (Don't do July's) Check with your treasurer. These are files that should have been processed through AUTOPOST.

Fiscal Year-End Closing SURCHG

- _____ date/time
- Run SURCHG
  - An additional employer charge is levied on the salaries of SERS members paid below the minimum annual compensation (determined by the System's actuaries).
  - SURCHG creates a worksheet districts might use for SERS surcharge calculation verification
  - Minimum annual FY18 compensation is $23,700.
  - See http://ohsers.org/surcharge for complete details

Fiscal Year-End Closing SURCHG

- _____ date/time
- Notify amy@noacsc.org that your SURCHG report is complete. You can EREPORT it to yourself and then forward it to Amy. She will add this to your fiscal year end payroll reports on the web.

Quarter-End Closing

- Run all the quarterly reports you normally do at the end of the quarter.

- But, **DO NOT RUN QRTRPT to close**!

Quarter-End Closing BENOBL and WAGOBL

- _____ date/time
- Run the programs **BENOBL** and **WAGOBL**. There are two options in these programs. It is recommended that you run both of these report programs for both report options. One option will give you the balances broken down by employee, the other option will give you the balances broken down by account. In recent audits most auditors have asked for these reports. Also, you need the account reports for GAAP reporting. Run them at this time and file them.
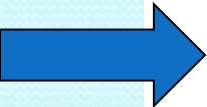
Quarter-End Closing QRTRPT

- _____ date/time
- Run QRTRPT to generate <u>DEMAND (N)</u> report
- **<u>DO NOT</u> run QRTRPT for fiscal year end! This will be done for you automatically later by fiscalusps.
- Check all totals for accuracy
- Lists all QTD figures from JOBSCN and DEDSCN
  - Compare totals of deduction checks written to the totals for each deduction code
  - Be cautious of deductions combined by vendor number
  - Any differences should be resolved

Quarter-End Closing QRTRPT

- Compare the 'Total Gross' listed to the total of all payroll clearance checks written from USAS during the particular period(s) being checked.

  - Subtract gross for payroll checks voided during the quarter from payroll clearance checks written

Quarter-End Closing QRTRPT

```
DATE  04/24/07                    QUARTER, YEAR AND FISCAL TO DATE REPORT          SIMPLE CITY SCHOOLS
TIME  09:23:00                            SORTED BY EMPLOYEE ID                    123 WEST CRAZEE ROAD
PAGE   40   (QRTRPT)                                                               CRAZYTOWN

                             QTD TOTAL        YTD TOTAL        FTD TOTAL
      TOTAL GROSS           357,052.03     2,562,490.55     1,170,142.58
      TOTAL ANNUITIES        37,102.26       293,904.55        95,061.97
      NON-FED.TAX ANNU.'S         0.00            0.00             0.00
      NON-CASH EARNINGS           0.00            0.00             0.00
      TOTAL ADJUSTED GROSS  321,274.77     2,268,686.00
      CALCULATED ADJ GROSS  319,949.77     2,268,586.00
      DIFFERENCE IN GROSS     1,325.00          100.00
         *** CALCULATED ADJUSTED GROSS DIFFERENT THAN TOTAL ADJUSTED GROSS FROM FEDERAL RECORDS ***
```

Quarter-End Closing QRTRPT

- Balance 'Adjusted Gross' on QRTRPT
- If the 'Calculated Adjusted Gross' equals the 'Total Adjusted Gross', the 'Difference' will be listed as 0.00
  - Difference should be resolved

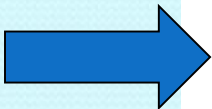 Link- https://wiki.ssdt-ohio.org/display/usps/Quarter+and+Year- End+Balancing
    - Verify the non-cash amounts
    - Verify the total annuities equal total of all deduction checks payable to annuity companies
    - Run AUDRPT, look for manual changes to JOBSCN total gross, annuity amounts, federal taxable gross

Quarter-End Closing QRTRPT

- QRTRPT


```
DATE  04/24/07                  QUARTER, YEAR AND FISCAL TO DATE REPORT            SIMPLE CITY SCHOOLS
TIME  09:23:00                         SORTED BY EMPLOYEE ID                       123 WEST CRAZEE ROAD
PAGE   40   (QRTRPT)                                                               CRAZYTOWN
                                QTD TOTAL      YTD TOTAL       FTD TOTAL
        TOTAL GROSS            357,052.03    2,562,490.55    1,170,142.58
        TOTAL ANNUITIES        37,102.26      293,904.55        95,061.97
        NON-FED.TAX ANNU.'S         0.00            0.00            0.00
        NON-CASH EARNINGS           0.00            0.00            0.00
        TOTAL ADJUSTED GROSS  321,274.77    2,268,686.00
        CALCULATED ADJ GROSS  319,949.77    2,268,586.00
        DIFFERENCE IN GROSS     1,325.00          100.00
          *** CALCULATED ADJUSTED GROSS DIFFERENT THAN TOTAL ADJUSTED GROSS FROM FEDERAL RECORDS ***
```

Quarter-End Closing W2PROC

- _____ date/time
- We recommend that you balance the W2REPT quarterly to minimize problems at calendar year end. Run the **W2PROC** program and check the W2ERR.TXT report for errors. Balance the deduction totals (taxes and annuities) on the W2REPT.TXT report with the totals from the DEDRPT.TXT reports from quarters 1 & 2. If errors are discovered, check employees that had exception processing during the year such as voided checks, error adjustments, or manual changes in **USPSCN**. The **AUDRPT** program can be useful in identifying these problems. Complete and balance a W2 reconciliation sheet

Fiscal Year-End Closing FISCALUSPS

- _____ date/time
- To run this step, **NO ONE MAY HAVE ACCESS TO ANY OF YOUR FILES.**
    1. Have all your payroll and USAS users
        - wait at the Menu> prompt or logout until you complete this step!
        - logout of USASWeb and USPSWeb
    2. Please call NOACSC to verify there are no <u>locked</u> sessions.
- Once you are certain no sessions are accessing your files, issue the command:
- MENU> **FISCALUSPS**
    - This process will make an archive copy of your files and run qrtrpt.
    - After issuing this command, **WAIT** for a **MAIL** message. Read the **MAIL** message. If the **MAIL** message tells you that you may proceed **THEN**, and **ONLY THEN**, may you go on to the next step**. DO NOT DO ANYTHING** until you receive a **MAIL** message <u>**WHICH GIVES YOU EXPLICIT INSTRUCTIONS TO CONTINUE!!!!**</u>

Fiscal Year-End Closing USPAUDIT

- _____ date/time
- Run USPAUDIT to create USPS submission files for AOS audits

```
        USPAUDIT: Create USPS Submission file for Auditors

This program extract USPS check history information in a special
format for use by auditors.  They will use this file to assist
in automating the audit process.

The file includes:
  - Check number
  - A generated employee number (SSN is not included)
  - Gross and Net Pay
  - Deductions (Taxes, annuities, retirement, etc)
  - USAS accounts charged

Fiscal Year of extraction    2018
Start Date          7/1/2017
Stop Date           6/30/2018
Send data to AOS now? Y


USPAUDIT                                              1 of  1
```
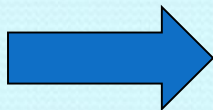
Fiscal Year-End Closing CNVADV

- CNVADV
  - System manager (ITC) only program to flag and unflag jobs after user runs STRSAD option '2'
  - No projection option

```
   This program will set up employees to
process correctly with and without advanced
payments to STRS.  The program will give you
the option to 'flag' and 'un-flag' employees
depending on whether or not they were
advanced.  If an employee was advanced
(single job or multiple job) then we want to
'flag' that job.  Otherwise we want to
'un-flag' them.

 Program options are:
A) Flag all jobs for all employees
B) Unflag all jobs for all employees
C) Flag specific jobs
D) Unflag specific jobs
E) Exit program
```

Fiscal Year-End Closing CNVADV

- Correcting mistakes
  - If FYTD has not been cleared
    - Run CNVADV and unflag all jobs from the advance
    - Correct records
    - Re-run STRSAD option '2'
  - If FYTD has been cleared
    - Contact STRS
    - File corrections with STRS
    - Update 450, 591,691 to reflect contributions and gross amounts so only new earnings appear in the FYTD fields
    - Restore files

Post Closing STRSAD Restrictions

Restrictions after STRSAD

- Once a district is in "advance mode", the job is flagged as an advanced job if the work days in the contact equals contract days worked and there are still pays remaining on that job.

- You may make additional payments on advanced jobs, and the software will be able to determine what should be considered as payback on the advance and what should be considered new earnings. This means that there will be no need for you to add new jobs for your **STRS** advanced employees just for the purpose of making additional payments on a job. The software will automatically determine which payments are new earnings, which is all pay types with the exclusion of "**REG**" (regular), "**ACC**" (accrued), and "**BCK**" (retro). This means that you can make a "**MIS**" (Miscellaneous) payment on an advanced job and the miscellaneous payment will be considered new wages while the regular wages will be considered payback to the board.

Post Closing

- If you would like to know how the **STRSAD** program calculates the amount of the advance and how the pay back during the summer months should work, please refer to **https://wiki.ssdt-ohio.org/display/usps/strs+advance** for more information. This chapter explains a little bit about the **STRS** Advance, which fields affect the **STRS** advance, the Calculations, the **STRSAD** program, balancing and checking your reports and the payout and payback.

Post Closing STRS deduction accumulators

- During the payroll process
  - FYTD amounts on the 450, 591 and 691 deductions will not be updated by any accrued earnings or contributions
  - FYTD amounts on the JOBSCN will be updated regardless
  - FYTD amounts on the 450, 591 and 691 deductions are updated only by new earnings and contributions on those new earnings.

Post Closing Pay Types/Advance

- During advance cycle certain pay types can not be used on jobs with advance flag set to "*"
  - REG
  - IRR

Post Closing USPCON Advance Balance

- Certain pay types affect balance of USPCON advance amount
  - DCK
  - BCK
  - TRM (usually creates a few cents difference)
  - POF (usually creates a few cents difference)
- If ITC modifies the pays and pays paid to be different by 1 (forcing a contract pay off) the amount in USPCON may not balance

Post Closing USPCON Advance

- Verify each pay the advance amount showing in USPCON is decreasing.
- After all summer pays are complete
  - Verify advance amount in USPCON is zero
  - If not zero, run CHKSTRS and compare employee totals to see whose amount withheld on accrued earnings does not equal the amount STRSAD calculated
  - File corrections with STRS as needed

Post Closing

- Note: If you have any Staff EMIS corrections to make after you start your first FY19 payroll, those corrections will need to be made in the Flat File Editor. Contact NOACSC for assistance.

Post Closing

- _____ date/time
- Create job calendars for FY18-19 if not already complete.

- Happy FY2019 Processing!