USAS

2018 Calendar Year-End Closing Procedures

Overview

- Calendar Year-End Closing Review
  - TIN Field in VENSCN & VENLOAD
  - Extract program for 1099's
  - IRS Submission date is January 31, 2019 (submit to ITC by January 17th)

TINMATCH

- This is an optional program that may assist with many 1099 vendors in determining the correct TIN type without having to manually review W-9 forms.

- The program creates a file in the format specified by IRS for bulk TIN/name matching. Only vendors that have a 1099 type and a 1099 ID, but have no TIN type entered will be selected. In addition, the user can optionally decide to only select 1099 vendors with a YTD total that meets the IRS requirements. This is recommended, at least initially, as it may significantly cut down on the number of vendors you will need to review and update.

- To access the program at the menu prompt type usas_ann

- TINMATCH is option 9.

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TINMATCH

- The names included in the file will be determined in the same manner as the F1099 program. So, for vendors with "1099:" on the second name line, it will strip off the "1099:" and use this name in the file, otherwise it will use the 1st name line. There will also be a prompt for whether you wish to use the check name if this exists, you should answer this the same way you do in the F1099 program. Special characters other than hyphen and ampersand will be stripped from the name included in the output file, as specified in IRS publication 2108A.

- Once the file has been submitted to IRS, they will return a results file within 24 hours. This file will contain an additional numeric code which indicates the status of the match attempt. These codes are detailed in publication 2108A.

- Please see IRS publication 2108A for additional details on the IRS TIN/Name matching program and the requirements for its use before using the TINMATCH program.

TINMATCH

TINMATCH - Creates file for bulk IRS TIN/Name Matching service

Enter the output file name for the bulk TIN/Name matching file.
Per IRS specs, do not enter any special characters in the file name
and the file extension must be .TXT

Output file TINMATCH.TXT

Include vendors only if YTD Total meets IRS requirement? Y

Enter the following option the same as you will enter it in
the F1099 program:

Use check names when they exist? N

Where do I find TIN Type?

- Look at the vendor's W-9 form

- May Utilize the IRS Interactive Tin/Name matching program. This allows you to enter up to 25 TIN/Name combinations and get immediate results.

- Utilize the IRS Bulk TIN/Name matching program. This allows you to enter a file with results within 24 hours of the submission. The SSDT has provided the TINMATCH program to assist with generating a file for districts who have a lot of 1099 vendors and wish to utilize this option.

- Please see IRS Publication 2108A for specifics.

VENSCN

- Field in VENSCN & VENLOAD
  - Must specify TIN type (SSN or EIN)
  - This field has NOT been added into USASWeb.
- Extract program
  - Can be used w/ IRS TIN Name Matching Program (bulk)
    - Bulletin 2108-A
    - TIN Type on spreadsheet will be '3' unknown

TIN Type (Tax Identification Number)

```
VENDOR ADDRESS INFORMATION
  Vendor   : 100101    Status: 1 (Inactive)    CHECK ADDRESS INFORMATION
  Name     : BRIDGESTONE AMERICAS, INC       _____
  2nd Name : FIRESTONE BUILDING PRODUCTS CO  _____
  Address  : 535 MARRIOT DRIVE               _____
  2nd Addr.: _____     _____
  City     : NASHVILLE                       _____
  State    : TN                              _____
  Zip Code : 37214                           _____
  Country  : _____                       _____
  Telephone :(___)___-___            (___)___-___
  FAX Number:(___)___-___                   YEAR-TO-DATE TOTALS
          1099 INFORMATION                  Calendar: _____
  Type: _ ID#: _____  SSN/EIN: _ Override: _   Fiscal  : _____
  Enter the type of ID#, from the vendor's W-9 form.
        S = SSN            E = EIN
```

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VENSCN

- The TIN Type in VENSCN is used to determine whether the Taxpayer Identification Number is an SSN or an EIN so that the identification number can be formatted correctly on the printed 1099's.

- It will be necessary to enter the TIN Type for all 1099 Vendors before your final run of F1099.

VENSSN – Verify 1099 Data

○ Check Data for 1099 Vendors

○ VENSSN Option 4 or 6

○ Review carefully!

```
Report Selection Options:

   1 - All Vendors
   2 - Active Vendors Only
   3 - Inactive Vendors Only
→  4 - 1099-MISC Vendors AND YTD Activity meeting IRS requirement
   5 - NOT 1099-MISC Vendors AND YTD Activity > $599.99
→  6 - 1099-MISC Vendors Only (Regardless of YTD Activity)
   7 - Memo Vendors Only
   8 - Range of Vendor Numbers
   9 - Range of YTD Activity With Vendor
```

VENSSN - Verify 1099 Vendors

- Check that all vendors that should be are flagged
  - VENSSN Option 5
  - Review list for any vendors that should get 1099

```
Report Selection Options:

    1 - All Vendors
    2 - Active Vendors Only
    3 - Inactive Vendors Only
    4 - 1099-MISC Vendors AND YTD Activity meeting IRS requirement
    5 - NOT 1099-MISC Vendors AND YTD Activity > $599.99
    6 - 1099-MISC Vendors Only (Regardless of YTD Activity)
    7 - Memo Vendors Only
    8 - Range of Vendor Numbers
    9 - Range of YTD Activity With Vendor
```

Ven #	Vendor Name	PO Mailing Address	City	St	Zip	Sts	SSN	Vendor YTD
004136	B & W FENCE	6209 CO. RD. 6-3	DELTA	OH	43515	A	000 11 1111	4,035.46
009664	BRUNS, LILLIAN D.B.A. LILL'S CAT	P942 COUNTY RD 16	NAPOLEON	OH	43545	A	000 11 2222	1,232.00
001136	BUEHRER GROUP ARCHITECTURE & ENG	314 CONANT STREET	WAUWEE	OH	43537	A	000 11 3333	2,054.00
004187	Drossco Custom Hardwood	406 North Street	Woodville	OH	43469	A	000 11 4444	4,600.00
004397	JACKSON DELUXE CLEANERS	522 HOBSON ST.	NAPOLEON	OH	43545	A	000 11 5555	2,606.75
008455	JBS OFFICE SOLUTIONS, LTD.	1808 BALTIMORE ROAD	DEFIANCE	OH	43512	A	000 11 6666	30,925.46
004321	KURTZ TRUE VALUE HARDWARE	734 N PERRY STREET	NAPOLEON	OH	43545	A	000 11 7777	635.00
020382	ROGERS & HAMMERSTEIN THEATRE LIB	229 WEST 28TH ST.-11TH FLOOR	NEW YORK	NY	10001	A	000 11 8888	190.00
003951	THE GOLF SHOP 1099:JAMES W. EISA	15-211 US RT. 6	NAPOLEON	OH	43545	A	000 11 9999	2,548.05
003087	WRITE-AWAY PRODUCTIONS	PO BOX 64	MINSTER	OH	45865	A	000 11 0000	800.00

Report Totals ===>>   63,712.95

Vendor Names

❖ If the vendor uses a different name for 1099 reporting, the district may enter the 1099 reportable name on the "2nd Name" field.

❖ Enter the digits 1099: followed by the IRS-1099 name.

❖ The F1099 program will strip off the "1099:" and use the name following it as the primary name on the 1099 reporting form and submission file

Vendor Address Information

Vendor Number	886478 Active
Name	ABC CONSULTING
2nd Name	1099:FRAN SMITH
Address	12348 SAMPLE STREET
2nd Address	
City	SAMPLEVILLE
State	OH
Postal Code	55555
Country	
Phone	() -
Fax	() -

1099 Information

1099 Type	Other Income
ID#	348888888
Override	

Other Information

Account Number	
Last Activity	10/30/2014
Creation Date	10/30/2014
Email Address	

To display individual's name on 1099 but keep business name as the first line on PO, enter **1099:individual's name** on the 2nd name field of the vendor record. PO will display:

To: (886478)
ABC CONSULTING
1099:FRAN SMITH
12348 SAMPLE STREET
SAMPLEVILLE OH 55555

The 1099 will exclude the first name, and strip the "1099:" from the second name field, using the 2nd name as the name on the printed 1099

PAYER'S federal identification number	RECIPIENT'S identification nur
349999999	348888888

FRAN SMITH

12348 SAMPLE STREET

SAMPLEVILLE   OH   55555-

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To display the individual's name on the 1099 but keep the business name as the first name on the PO, you can enter **1099:individual's name** on the 2nd name field of the vendor record.

Vendor Address Information

Vendor Number	85 Active
Name	JONES CONSULTING SERVICES
2nd Name	1099:KARA JONES
Address	123 MAIN STREET
2nd Address	
City	SAMPLEVILLE
State	OH
Postal Code	55555
Country	
Phone	(888) 555 - 1111
Fax	() -

Check Name	
Check 2nd Name	
Check Address	
Check 2nd Address	
Check City	
Check State	
Check Postal Code	
Check Country	
Check Phone	() -

1099 will display:

KARA JONES
123 MAIN STREET
SAMPLEVILLE, OH 55555

1099 Information

1099 Type	Non-employee Compensation
ID#	222222222
Override	

Year-To-Date Totals

Calendar YTD Total	2,000.00
Fiscal YTD Total	0.00

Other Information

Account Number		Category	
Last Activity	12/30/2008	Minority Vendor	N
Creation Date	12/18/2008	Multi-Vendor Flag	N
Email Address		Child Support Flag	N

New Hire Reporting

New Hire Flag	Not Reportable	Birth Date	
Date Payments Begin		New Hire SSN/FEIN	
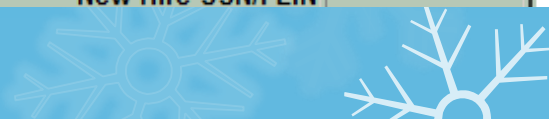
F1099 Program

- Run the F1099 program.
  - NOACSC will print the District's 1099 forms through Edge and mail to the district
  - The F1099 program looks for any vendor flagged for 1099 reporting with a YTD total equal to or greater than the minimum amount entered by the user.

```
District Information:
    1. Federal EIN                  : 349999999
    2. District name line 1         : SAMPLEVILLE SCHOOL DISTRICT
    3. District name line 2         : TREASURERS OFFICE
    4. District Address line 1      : 123 MAIN STREET
    5. District City, State, Zip    : SAMPLEVILLE OH 55555
    6. District Telephone Number    : 555-555-1234 ext: 55555
Reporting Requirements:
    7. Minimum Amount to Report     :            600.00
    8. Minimum Royalty Payment to Report:         10.00
    9. Report vendors with no ID number : N
   10. Utilize check name, address      : N
Tape Submission Information:
   11. Create Tape File      : Y       13. Payer Name Control    :
   12. Payment Year          : 2018
```

F1099 Program

- There is an "override" flag on **VENSCN** that will generate a 1099, regardless of the YTD amount. This flag is shown below:

- If you choose to use this flag, the vendor will receive a 1099 regardless of whether or not they meet the minimum reporting amount, as long as their YTD total is > $0.

```
                    1099 INFORMATION
        1099 Type: 1   ID#: 123456789   Override: _
```

- The override flag can also be found in USASWeb – Vendors

- When running the **F1099** program, you may choose to suppress 1099's for any vendors without a 1099 Id number.

- Answer "N" to the "Create Tape Submission File" prompt until you have confirmed the data and are ready for the final fun.

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F1099 Program

- Following are the prompts for the F1099 program.

- When you run F1099 to create the tape file, the year entered needs to be 2018.

```
District Information:
     1. Federal EIN                 : 364713278
     2. District name line 1        : NOACSC - COG
     3. District name line 2        :
     4. District Address line 1     : 4277 EAST RD
     5. District City, State, Zip   : LIMA OH 45807
     6. District Telephone Number   : 419-228-7417
Reporting Requirements:
     7. Minimum Amount to Report           :          600.00
     8. Minimum Royalty Payment to Report:            10.00
     9. Report vendors with no ID number : N
    10. Utilize check name, address       : N
Tape Submission Information:
    11. Create Tape File       : Y          13. Payer Name Control    :
    12. Payment Year           : 2018
```

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F1099 Program

- The following files are generated:
  - F1099.TXT – report of 1099 vendors sorted by income type. **Print and carefully check this report**.
  - F1099.DAT – a data file which can be used for laser printing. (**Please do not print this file)**
  - F1099.FRM – file containing vendor 1099 information to be printed on blank 1099 forms (**Please do not print this file)**
  - F1099.TAP – tape file containing the vendor 1099 information to be sent to the IRS. (**Please do not print this file)**

F1099 Program

- Execute 1099_Print

- **<u>WAIT</u>** for a mail message!

- This program will submit your 1099's for printing at the ITC.

- We will submit your 1099 information to the SSA office using electronic media, if you wish. However**, if you have 250 or more 1099's, we must submit for you!**

- If you want NOACSC to submit the file to SSA, please send email to FISCAL@NOACSC.ORG.

- **SUBMISSION DEADLINE IS THURSDAY, JANUARY 17, 2019!**

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Who Should Receive a 1099

- Payments of $600 or more per year (add together every payment, from every dept.)

- Services (including parts and materials)

- Sole Proprietor, Partnership, Trusts

- Excludes corporations (C or S) unless:

  - Medical & Health Care Payments

    - Does <u>not</u> apply if payment made to tax exempt hospital

  - Payment to Attorneys

Who Should Receive a 1099

- LLC – Limited Liability Company
  - Not necessarily a corporation
  - Could be corporation, partnership or sole proprietor
  - Use current version of W-9
    - Has separate line for LLC

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Month-End Closing

- Proceed with monthly closeout of December as normal
  - Enter all transactions for the current month
  - Perform Bank Reconciliation procedures from the USAS User Guide "USAS Useful Procedures" chapter
  - Examine recommended reports to ensure you are in balance
    - USAEMSEDT – Cash Reconciliation – Option 1
    - PODETL
    - BALCHK
      - MTD, FTD, YTD expended amounts are identical
      - MTD, FTD, YTD received amounts are identical
      - Outstanding encumbered amount agrees with outstanding PODETL encumbered amount. If they don't, run FIXENC.
    - Run FINSUMM selecting "Y" to generate FINDET at the same time. The current fund balances should be identical on each report.
  - Run SM2CALC option (if tracking SM12 figures). Print off and check the resulting report.

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Month-End Closing

- Generate December's reports
- Minimum month-end reports recommended:
  - BUDSUM, APPSUM, REVSUM
  - DETAILED PODETL – ALL FUNDS
  - FINDET & FINSUMM
  - RECLED
  - DETAILED CHEKPY
  - CASH RECONCILIATION FROM OPTION 1 OF USAEMSEDT
- Generate any additional Calendar Year-End reports desired

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Month-End Closing

- Confirm the BWC report was run during USPS Payroll Closeout
- An email message will be sent to you and fiscal@noacsc.org when complete.
- NOACSC will copy the reports to the web.

Month-End Closing

- Run MDADJUST
- This program will automatically run MonthlyCD and then run ADJUST for the month
- Choose "Month End" option
- Please verify your monthly reports are on the web before proceeding!

VENHIRE/VHRESET

- Run VENHIRE/VHRESET
  - Resets all vendors flagged as "Reported" to "Reportable"

```
VHRESET - Vendor Reset Option

Report File Specifications:

Output file                                    VHRESET.TXT
```

  - Vendor will be reported again the next year if they are paid at least $2,500.

Year-End ADJUST

- Run ADJUST and select "Year-end" and run for "Calendar".
  - You must NOT be running any other programs during this process.

USERLIST

- Run USERLIST program for your district.

January Processing

- Begin January Processing.

Questions?

Contact us: fiscal@noacsc.org