USAS-R

2020 CALENDAR
YEAR-END CLOSING PROCEDURES

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Overview

Calendar Year-End Closing Review

- At this time, no TINMATCH program comparable to Classic.
- Use Vendor's grid to review Tax ID type for 1099 vendors.
- Extract program for 1099's
- IRS Submission date is February 1, 2021 (January 31st is on a Sunday). **Submit to NOACSC by January 15th.**

2020 Changes

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- Changes to 1099 forms
  - 1099 NEC – Non-Employee Compensation ***NEW***
  - 1099 MISC – Miscellaneous Income

  - IRS website regarding 1099 forms & instructions: https://www.irs.gov/instructions/i1099msc

2020 Changes -1099s

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- The PATH Act changed the IRS reporting due dates in 2015
  - Non-employee compensation (box 7) due to IRS by January 31st, but other compensation (not in box 7) on the same form were due February 28th
- Form 1099-NEC was last used in 1982
- Form 1099-NEC will once again be used to report non-employee compensation, previously reported on the 1099-MISC form

2020 Changes -1099s

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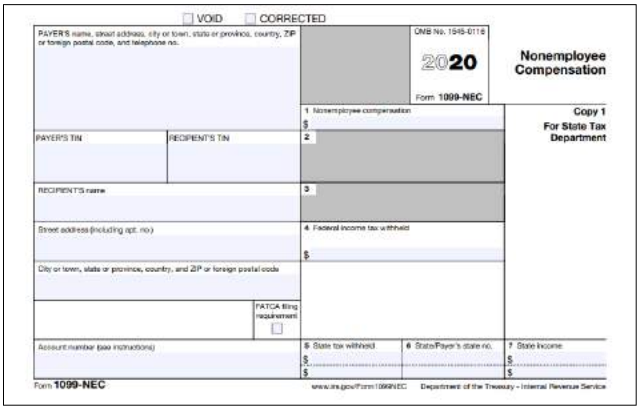

1099-NEC

- **Box 1** - Amount of nonemployee compensation.
- **Box 4** - Amount held back to comply with backup withholding requirements.
- **Boxes 5-7** - Amount of any state withholding.

2020 Changes – 1099s

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Form 1099-NEC

- Payments of $600 or more for services of nonemployees and attorneys
- Reported in Box 1 of the new 2020 Form **1099-NEC**
- There is no automatic extension available for the 1099-NEC form.
  - A request for an extension can be submitted by paper Form 8809, refer to Part A, Sec. 8, Extensions

Prior Year Corrections

- Corrections from prior years should be reported on *prior* year forms

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2020 Changes – 1099s

- Filing of 1099-NEC
  - File with the IRS on paper or electronically by February 1, 2021 (January 31st is a Sunday)
  - Copy of the 1099-NEC should be sent to vendors and independent contractors by February 1, 2021
- Filing of 1099-MISC
  - File with IRS on paper by March 1, 2021 (February 28th is a Sunday)
  - File with IRS electronically by March 31, 2021
- ***NOACSC will have all 1099-NEC and 1099-MISC submitted to IRS by February 1, 2021***

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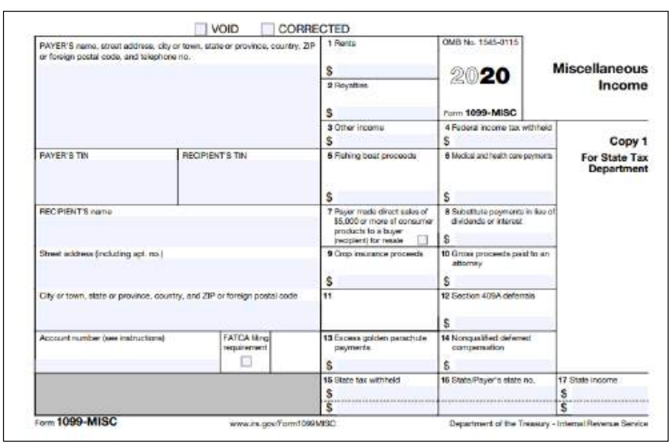
2020 Changes – 1099s


VOID CORRECTED
PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.
1 Rents $
2 Royalties $
3 Other income $
4 Federal income tax withheld $
5 Fishing boat proceeds $
6 Medical and health care payments $
7 Payer made direct sales of $5,000 or more of consumer products to a buyer (recipient) for resale
8 Substitute payments in lieu of dividends or interest $
9 Crop insurance proceeds $
10 Gross proceeds paid to an attorney $
11
12 Section 409A deferrals $
13 Excess golden parachute payments $
14 Nonqualified deferred compensation $
15 State tax withheld $ $
16 State/Payer's state no.
17 State income $ $
OMB No. 1545-0115
2020
Form 1099-MISC
Miscellaneous Income
Copy 1 For State Tax Department
PAYER'S TIN
RECIPIENT'S TIN
RECIPIENT'S name
Street address (including apt. no.)
City or town, state or province, country, and ZIP or foreign postal code
Account number (see instructions)
FATCA filing requirement
Form 1099-MISC www.irs.gov/Form1099MISC Department of the Treasury - Internal Revenue Service

1099-MISC Revised

- Payer made direct sales of $5,000 or more (checkbox) in box 7.
- Crop insurance proceeds – Box 9
- Gross proceeds to an attorney – Box 10
- Section 409A deferrals – Box 12
- Nonqualified deferred compensation income is reported in box 14.
- Boxes 15, 16, and 17 report state taxes withheld, state identification number, and amount of income earned in the state, respectively.

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Where do I find Tax ID 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. It requires a file in a specific layout.
- See IRS Publication 2108A for specifics.

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Vendor Tax ID Type

- The Tax ID Type 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 Tax ID Type for all 1099 Vendors before your final run of 1099 Extract.

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Review 1099 Data

- 3 Options to Review 1099 Data
  1. Vendors Grid
     - Core/Vendors
  2. SSDT 1099 Vendor Report
     - Home or Report Manager
  3. 1099 Extract Report
     - Periodic/1099 Extract/Print Report

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Review 1099 Data

- Review and Verify Vendor's:
  1. Tax ID Type (SSN or EIN)
  2. ID #
  3. Type 1099
  4. 1099 Location address

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Vendors Grid

- **Use the Vendors grid to review the Tax ID type for 1099 vendors.**

TIP: Use the YTD Total to filter on amounts and the Type 1099 to filter on a specific 1099 type (i.e. Royalty Payments).

TIP: Use the Report button to save your filtered grid settings.

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Vendors Grid - Advanced Query

The Advanced Query can also be used to locate 1099 Vendors in the grid

Active - Equals - true

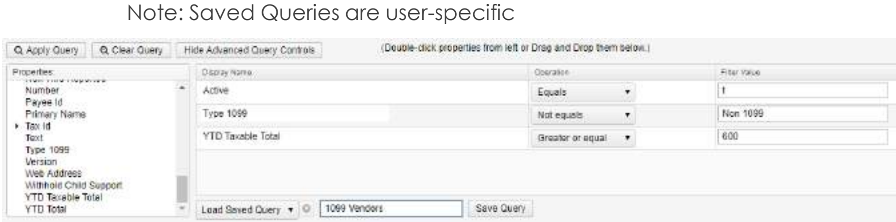
Type 1099 - Not equals - Non 1099

YTD Taxable Total – Greater or equal – 600

Apply Query

Save Query to use again

Note: Saved Queries are user-specific



Vendors Grid – Non 1099 Vendors

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Review vendors marked NOT to receive a 1099

Change Type 1099 filter "equals" Non 1099 vendor to review Vendors with a qualifying YTD amount that are marked NOT to receive a 1099. Review and update as needed.

Grid Filter

			Vendor #	Primary Name	Active	Type 1099	Tax Id Type	Id #	YTD Taxable Total
					1	non 1099			>= 600
			42	Hansen, Bobbie	true	Non 1099			5,521.02
			70	Eatonton Motors	true	Non 1099			123,104.21
			71	Royston Office supplies	true	Non 1099			6,669.00

Advanced Query Filter

Display Name	Operation	Filter Value
Active	Equals	1
Type 1099	Equals	Non 1099
YTD Taxable Total	Greater or equal	600

Vendors Grid – Other Filter Options

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- Check Vendors >= 600.00 and <> Non 1099

  (Classic VENSSN Option 4) These are your 1099-Misc vendors whose YTD activity meets the IRS requirement.

- Check Vendors >= 600.00 and = Non 1099

  (Classic VENSSN Option 5) Not 1099-Misc Vendors with YTD activity >= 600.00

- Check Vendors <> Non 1099 and all YTD totals

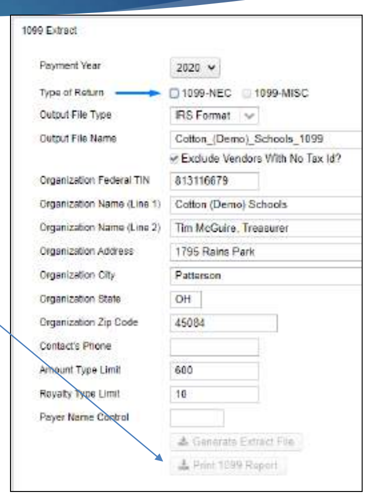
  (Classic VENSSN Option 6) These are your 1099-Misc vendors regardless of their YTD Activity

SSDT 1099 Vendor Report

- SSDT 1099 Vendor Report – Template Report
  - Report Manager or Home Page

1099 Extract Report

- Periodic/1099 Extract/Print Report
- Use to verify data prior to creating the tape file
- Defaults to Exclude Vendors with No Tax ID
- Must pick **Type of Return** before 'Print 1099 Report' becomes available
- Subtotals by 1099 Type
- **Note: This report cannot be run until the Posting Period for December 2020 has been created**

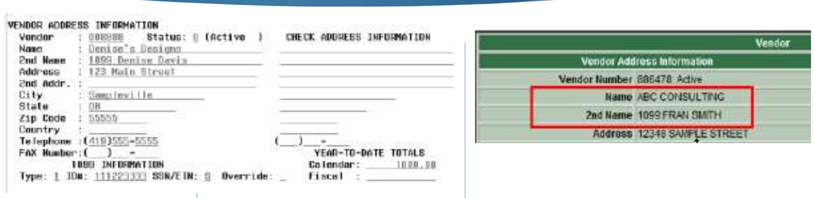


Vendor Names

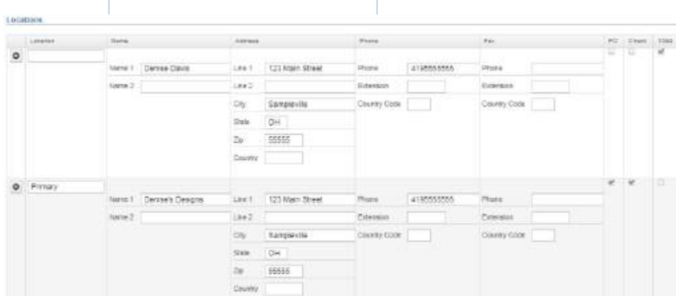
- If the vendor uses a different name for 1099 reporting, the district may enter in locations under Locations and on the right-hand side click 1099. An example follows. (Edit a vendor to see the locations at the bottom.)

1099 Locations

Classic



How It Imports into Redesign



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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 not apply if payment made to tax exempt hospital
  - Payment to Attorneys

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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

Vendor Adjustments

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- If a manual adjustment is needed to the Vendor YTD Amount, this can be added on the Vendor record
    - Examples: Adding Royalties, Prior FY check voided in CY, Combining Vendors
  - **VIEW** the Vendor
  - Click Vendor Adjustments

Vendor Adjustments

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- Create a new Adjustment

- Enter adjustment info
  - Amount can be positive or negative
  - Check 'Taxable' box to update the YTD Taxable Total & YTD Total
  - Unchecking 'Taxable' box will only update YTD Total

1099 Submission to IRS

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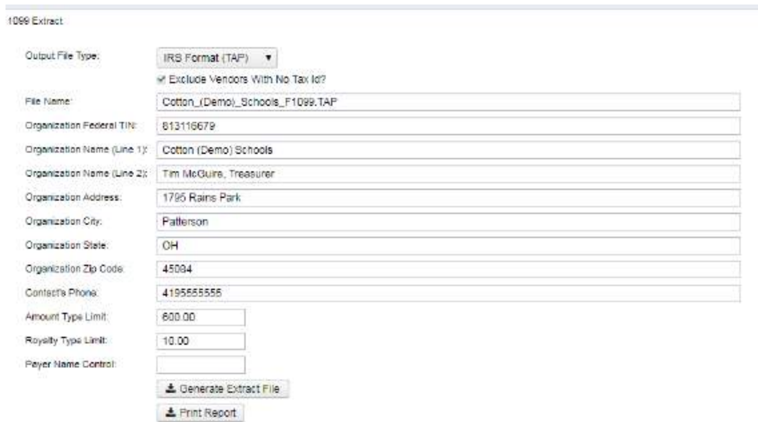
- Under Periodic, run the 1099 Extract program



1099 Submission to IRS

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- Select 2020 as the Payment Year
- Select the appropriate Output File Type:
  - Edge Format (XML) is the output file to be used when printing 1099s
  - IRS Format (TAP) is the output file used to generate the TAP file for IRS submission
- Review the File Name, TIN, Address and contact information
- Click on 'Print Report' to generate the 1099 Extract Report in PDF format
  - **REVIEW**
- Click on 'Generate Extract File' to generate the selected output file type

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Submitting 1099 Procedures

- District notifies NOACSC that 1099 XML file is ready to be printed and data submitted to IRS. Upload file to secure file transfer that will be sent to you from fiscal@noacsc.org
- NOACSC will send the district instructions to send us a secure email attaching their 1099.xml and 1099.tap extract files.
- NOACSC will upload the 1099.XML file into the EDGE software and generate 1099 forms to print on self-sealing 1099-MISC laser forms.
- When NOACSC receives the 1099.TAP file, it will be renamed referencing the district (i.e. EL_W1099.TAP), FTP'd to the VMS system, appended with other districts and sent on to the IRS via the Fire System.

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1099 Submission to IRS

- NOACSC will submit all 1099-NEC AND 1099-MISC files to IRS by February 1, 2021.
- **Please submit to NOACSC** by **January 15th, 2021** so that we can submit to IRS in a timely manner.

Month-End Closing

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- Proceed with closing out December as normal.
  - Enter all transactions for the current month
  - Perform Bank Reconciliation Procedure
  - Under the Periodic menu, select 'Cash Reconciliation' to enter your cash reconciliation information for the month
  - Generate the 'SSDT Cash Summary' report and the 'SSDT Financial Detail' report
    - The detail report may be run for the month to compare MTD totals to the Cash Summary report; totals should match.
    - The detail report may be run for the fiscal year to compare FYTD totals to the Cash Summary report; totals should match.

Month-End Closing

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- If prior steps are performed and totals agree, you are balanced and may proceed with the next step
- Optional: Run a 'Spending Plan Summary' report
- The MonthlyCD Report Bundle is now available and will automatically run when the Posting Period is closed.
  - Includes 27 SSDT reports
    - Cash Reconciliation Report for the month
    - Cash-related Reports: Cash Summary Report; Financial Detail Report for the month; Financial Summary by Fund
    - Budget-related Reports:
      - Budget Summary;Budget Account Activity Report (for the month)
      - Appropriation Summary Report/ Budget Transaction Summarized by Appropriation
      - Budget Summary MOE
      - Negative Budget Report; Negative Appropriation Account Report; Error Corrections & Supplies Distributions

Month-End Closing

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- Revenue-related Reports: Revenue Summary; Revenue Account Activity report for the month
- PO-related Reports: Purchase Order Detail Report for the month; Outstanding Purchase Order Detail Report; Transaction Ledger-Vendor Activity; Vendor Listing
- Disbursement-related Reports: Disbursement Summary Report for the month; Outstanding Disbursement Summary Report
- Receipt-related Reports:
  - Receipt Ledger Report for the month
  - Reduction of Expenditure Ledger Report for the month
  - Refund Ledger Report for the month; Void Refund Ledger Report
- Transfer Advance Summary; Fund to Fund Transfer Ledger Report
- User Listing AOS Extract

- Manually run additional desired month-end reports or create a new report bundle.

Month-End Closing

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- Will automatically run when Posting Period is closed.
- Wait until the bundle is complete before closing another month
- Reports can be viewed under Utilities/File Archive
- If you do NOT want report bundle to run for Posting Period
  - Navigate to Report/Reports Bundle
  - Disable bundle by clicking the checkbox
- Individual reports cannot be deleted - only entire monthly bundle

Calendar Year-End Closing

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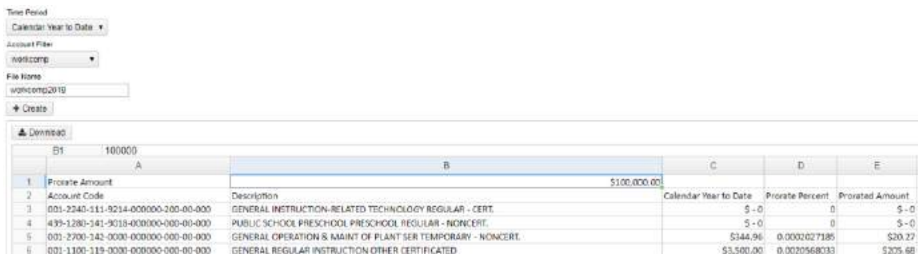
- Generate additional Calendar Year End Reports if needed
  - The Proration Utility program generates a spreadsheet which may be used to assist in calculating premium amounts for Worker's Compensation payments.
  - Create an Account Filter to include Worker's Comp amounts (ex. 1xx Object Expenditure Accounts)



	A	B	C	D	E
1	Prorate Amount	$100,000.00			
2	Account Code	Description	Calendar Year to Date	Prorate Percent	Prorated Amount
3	001-2240-111-9214-000000-200-00-000	GENERAL INSTRUCTION-RELATED TECHNOLOGY REGULAR - CERT.	$ - 0	0	$ - 0
4	439-1280-141-9018-000000-000-00-000	PUBLIC SCHOOL PRESCHOOL PRESCHOOL REGULAR - NONCERT.	$ - 0	0	$ - 0
5	001-2700-142-0000-000000-000-00-000	GENERAL OPERATION & MAINT OF PLANT SER TEMPORARY - NONCERT.	$344.96	0.0002027185	$20.27
6	001-1100-119-0000-000000-000-00-000	GENERAL REGULAR INSTRUCTION OTHER CERTIFICATED	$3,500.00	0.0020568033	$205.68

VENHIRE/VHRESET

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- In Classic Venhire/VHRESET
  - Reset all vendors flagged as "Reported" to "Reportable"
- In Redesign this is a "behind the scenes" automated setting and a separate option will not need run.

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Calendar Year-End Closing

- Close December:
  - Under Core, click on Posting Periods
  - Click on if you would like to 'Close' the current period.
  - Click on 

  to create the new posting period. Select the month, enter the calendar year and checkmark the 'current' box to make the new posting period the current period.
- You are now closed for the month and calendar year.

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MonthlyCD Report Bundle

- Automatically runs when the posting period is closed
- Will generate 27 SSDT Template Reports
- Reports can be viewed under Utilities/File Archive

Calendar Year End Report Bundle

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- Calendar Year End Report Bundle will be available with USAS-R release 8.11.0, currently scheduled for the week of December 28th.
- Will create a Calendar Year Archive tab under File Archive
- Copies of the generated XML print files, TAP submission files, transmitter report (TXT) and 1099 Report (PDF) will be sent to the Calendar Year End File Archive when they are processed

Report Bundles

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- Additional Notes:
  - If you need to reopen a posting period, the MonthlyCD Bundle will automatically run again when the period is re-closed.
    - Disable the bundle before reclosing OR
    - Delete the previous Monthly Archive before re-closing
  - Wait until the bundle has completed before closing another month
  - Closing a period will generate 27 reports, so you should refrain from running other reports while the bundle completes
    - May take 30 mins or longer to run
    - Can check the status in Job Scheduler

USERS

- To see the users who currently have access to your district for USAS:
  - Click System/Users
  - Show the column Enabled. (If you don't see it as a column click More and add it.)
  - Filter the column Enabled to =true
  - Click the report button
  - All users listed should be your current users. If not, please notify NOACSC to update accordingly.
  - The user emis_sif is how the Redesign connects to the data collector; it needs to stay.
  - The user xx_hr is for the kiosk; it needs to stay.
  - The user req_user is used for NOACSC's requisition system; it needs to stay.

January Processing

- Begin January Processing!

Questions?

Contact us: fiscal.support@noacsc.org
419-228-7417 Option 3