

USPS Calendar Year-End Closing Procedure

The following checklist outlines the steps to be followed when closing out USPS for calendar year-end.

NC1 Payments

- _____ Process NC1 pay types for life insurance premiums over \$50,000 **before the last payroll of the calendar year.**
See Chapter 29, “Reporting Taxable Amount of Life Insurance Premiums” in USPS User Guide.
- _____ Run DEDLST for your Canfield city deduction code to identify if you have 25 or more active employees who pay Canfield city tax. If you do, then you will need us to file that city tax electronically for you.

TIN Verification (Optional)

- _____ Run SSAEVS to verify correct TIN for employees, verification accessed under:
USPS_ANN> W2MAINT>SSAEVS
The process should be run ahead of closing making sure all social security numbers are correct for W2 reporting.

Month-End Closing

SERS Retirement

- _____ Run the RETIRE program.

This program generates a report of earnings, deposits, and days paid for each retirement system. If necessary, adjustments can be made using UPSCN/ATDSCN. (AD, RE)
- _____ Select the SERSREG option. On initial run select **NOT** to create the tape file.
- _____ Review the SERSERR.txt report. Correct any errors.
- _____ Review the SERSDET.txt report. Verify employee earnings, days and hours.
- _____ Verify the total contribution amounts listed on the report, equal the total deduction checks for the withholding plus any warrant checks written for pick-up on pick-up
- _____ Verify contributions by employee, equal earnings times the applicable retirement percentage. Allow for rounding (within a few cents).
- _____ Review service credit days for all employees on the report.
- _____ Once data is accurate, run SERSREG again and answer YES to create the SERS submission file. (SERS.YYYYMMDDXXXX.SEQ)
- _____ Upload the SERS file to the eSERS website.
- _____ Run SERSMONTH before you begin processing payroll for the next month. The “Actual” option will clear the MTD accumulators on the 400/590 and 690 DEDSCN records. It also sets the New Employee flag on the 400 DEDSCN record to N and copies the following reports out to PAYROLLCD: AUDRPT, ABS101, BENRPT, CHKSTS, AND SERSMONTH.
- _____ Complete and submit SERS monthly reports and payments as required.
- _____ Verify paperwork has been completed for employees listed on the report as ‘**NEW**.’

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Balance Payroll Account (When statement is received from bank)

- _____ Run the USPRPT/CHKSTA program to reconcile checks.
- _____ Run the USPRPT/CHKSTS program to generate an outstanding check register.
Verify that you balance with the bank.

Accumulate Leave

- _____ Run BENACC if applicable.

Quarter-End Closing

Balance QRTRPT

- _____ Run the QRTRPT and select the **Demand Option (N)**. *The report shows quarter, fiscal, and annual totals.*
- _____ In the ‘Totals’ section of QRTRPT, the gross and adjusted gross should balance using a manual calculation:

Gross
- <u>Annuities</u>
Adjusted gross calculated

The Adjusted gross calculated should equal the adjusted gross amount from QRTRPT. This should be true for all adjusted gross figures in the “Totals” section.

- _____ All deduction checks for the quarter should equal the total deductions showing on QRTRPT. This should be true for every deduction code. Be sure to verify the electronic transfers of Federal and Medicare payments as well.
- _____ The total gross showing on QRTRPT should equal the total of all payroll clearance checks created during CHKUPD for the quarter.

***DO NOT CLEAR THE QUARTER yet.... More to do📄!!!**

Balance W2REPT

It is recommended that you balance the W2REPT quarterly to minimize problems at Calendar Year-End

- _____ Run W2PROC. Check the W2ERR.TXT report for errors.
- _____ Complete and balance the W2REPT Reconciliation Worksheet for the quarter following the directions on the worksheet.
- _____ Balance the deduction totals (taxes and annuities) on the W2REPT.TXT report with the totals from the DEDRPT.TXT reports from the quarter.
- _____ Balance the gross amounts on the W2REPT.TXT report with the PAYRPT.TXT reports for the quarter.

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These amounts may not balance due to the way **W2PROC** handles certain amounts (e.g. Medicare pickup)

_____ If errors are discovered, check employees that had exception processing during the quarter such as voided check, error adjustments, or manual changes in USPSCN.

If necessary, run the AUDRPT program. This can be useful in identifying these problems.

Balance Deductions

_____ Run PAYDED to verify there are no outstanding deduction amounts.

To generate a non-zero deduction listing:

- Set the “**Payment Option**” = “ **A**”
- **Pay Cycle** = “ “ (blank)
- **Deduction Codes** = “ “ (blank)

On the DEDPRT.txt verify that there are no outstanding deduction amounts.

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PAYDED - Deduction Reports/Pay Deductions
- File options -
Detail report: DEDRPT.TXT          Summary report: DEDSUM.TXT
Print options page? (Y,N): Y      Actual or Projection? (A,P): P
Optional report heading:
- Sort, Subtotal,
Sort: ID                          Pagebreak:
- Selection Criteria
To select ALL non-zero ded         To select ALL non-zero ded
Payment option: A                  Pay cycle:
Deduction codes:
Times: 0      Employee: 0.00      Board: 0.00
Payroll Deductions - Report and Check Processing 1 of 2
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_____ The total of all board paid amounts (if tracked on the system) should equal the total of all warrant checks to the vendor or deduction company.

_____ Complete and file any required quarter-end submission forms for Deduction companies

City Withholdings

_____ For city withholdings, take the taxable gross times the percentage to be sure the tax withheld and submitted are correct.

** Please note: Mobile employees could cause discrepancies.

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ODJFS

_____ Run ODJFSRPT setting the 'Create a submission file' prompt to N to generate a report only.

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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:          2017 Reporting Quarter: 4 Max number of weeks: 13
Federal EIN:             34 ODJFS Account Number: 81
District name:          SAMPLE CITY SCHOOL
Street address:         123 MAIN STREET
City:                   NORTH POLE State: OH Zip: 11111
    
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_____ Check all totals carefully for accuracy. If necessary, adjustments can be made using USPSCN/ATDSCN. (AD OB)

****Example of the Ohio Tax Record for an Out of State employee:**

- Employees who live in PA, but work in OHIO. Ohio Tax Record should look like this!
- The employee earns weeks & ODJFS wages, but NO Taxable gross should appear the deduction.

Deduction type - Ohio State Tax		Name: TREASURER STATE OF OHIO		
Calculate option:	P	Start:	00/00/0000	
Tax percent :	_____	Stop :	01/01/2010	
Add'l withhold :	_____	# of exemptions :	__	
Error adjustment:	_____	ODJFS wage reporting:	Y	
		Accum	QTD Totals	FYTD Totals
Deduct total :	_____			
Gross pay :	_____			
Taxable gross :	_____			
ODJFS gross :			9860.84	56970.49
Add withhold :	_____			

Common Problems:

- Employee has weeks but no money.... Verify the employee has not been paid, enter a stop date on the 002 Deduction
- Employee is Resident of PA and works in Ohio.... Shows gross wages Paid/Taxable Wages on ODJFSRPT- Make sure the Ohio Tax record has been setup for Out of State Employee as shown above. ON ODJFS Gross wages should appear in QTD and YTD

_____ When all data is correct, run the ODJFSRPT program again, this time indicating you want to create a tape file for submission.

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Optional Reports

_____ Once all totals are balanced and you wish to generate file copies of all desired reports.

The following list is a minimum suggested for you to print:

USPRPT/EMPMST (all data)

USPRPT/ ERNREG (all data for the quarter)

QRTRPT (all data – demand report - **Option N**)

YTDRPT (YTD totals & a benefit statement for all employees or a pay group or individual employees)

WORKCOMP Report – Create a report of year-to-date expenditures for salaries and estimates Worker’s Compensation obligations. You will be prompt to enter a percentage rate to be used in computing workers compensation obligations. **Your Treasurer may need to run this!! You’ll want to run this now. If missed, ACCESS would have to generate from the archived account.**

OAPSE (USPS_LCL/OAPSE) Generate Report for Employee, Name, SSN, Birthday, & YTD Gross

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W2 Processing – Note- There are some new screens for W2 PROC

_____ Check W2 abbreviations on all CITIES - DEDNAM records.

The W2 form will truncate the abbreviation to six characters even though the field in DEDNAM allows twelve.

_____ For cities using either Regional Income Tax Agency (RITA) or the Central Collection Agency (CCA) to report city tax information, verify the tax entity code, the appropriate RITA and/or CCA description, and RITA and/or CCA description are entered on the city USPSDAT/DEDNAM record.

_____ Insure the OSDI four digit code appears first in the W2 abbreviation field in DEDNAM, followed by the school name if space allows. The four digit code is required on the W2.

_____ Using DEDSCN program, make any necessary changes to the YTD gross, YTD taxable gross, and/or deductions for the W2 forms. Sources of these changes may be fringe benefits, life insurance cost, adoption assistance, third party pay, or a leased vehicle.

_____ If an employee has reportable dependent care information that needs to appear in Box 10 of the W2 form, there are two ways of reporting:

Enter the dependent care amount in the dependent care field on the 001 Federal record.

<OR> If the DPCARE deduction type is being used no further corrections are necessary.

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Questions on whether the dependent care is reportable, should be directed to your legal advisor.

_____ Insure portions of annuities identified as insurance are adjusted on the deduction records so they are taxed properly. If you are notified of this situation, you will need to increase the taxable gross on the 001, 002, and OSDI deductions for the amount identified as insurance and decrease YTD annuity amount by the amount identified as insurance. If the city honored the annuity when the amount was withheld, the city records should also be updated.

_____ Run the program W2PROC saying “N” to “Do you want to create the W2 Tape file?”. This program generates the following files:

- W2ERR.TXT - Correct all errors
- W2REPT.TXT
- W2FORM.TXT - Forms for pin feed printers
- W2BREAK.TXT – Report show where w2 should be separated for employee distribution
- W2TAPE.SEQ - file used submission to Federal State Entities
- W2FORM.DAT – Print forms to laser
- W2CCA.SEQ (only CCA entities) – Use to create submission to CCA
- W2RITA.SEQ (only RITA entities) – Use to create submission to Rita
- W2CITY.DAT – Used for city submission and should not be printed

_____ Print the W2ERR.TXT and W2REPT.txt reports & verify the data.

**This program can be run as many times as necessary until all data is correct.

_____ Run W2PROC again saying “Y” to “Do you want to create a W2 tape file?”

ACCESS WILL PICK UP THE LAST W2FORM.DAT FILE TO PRINT W2’S!

_____ Mail all State and City tax forms **REQUIRED BY DISTRICT**.

_____ Send IT-3 Form to ACCESS for W2 submission. This form must be filled out and signed.

_____ Run **CALENDARCD** to create calendar year end files for PAYROLLCD.

USPS_ANN\CALENDARCD :

Select “**NOW**” when prompt for now or later!

This program generates a standard set of calendar year-end reports.

_____ Verify that the reports were copied to PAYROLLCD.

_____ Have all your District employees EXIT out of USAS and USPS prior to running USPS_CY.

_____ Run **USPS_CY** from USPS_LCL menu to backup of Payroll Files. These files are used by Auditors.

_____ **Create a HELP Desk Ticket** (email fiscal@access-k12.org) indicating USPS_CY has been run and the district is ready for files to be verified.

You must wait for verification from ACCESS BEFORE PROCEEDING.

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STOP!!!!!! WAIT FOR ACCESS!!!

CLEAR THE QUARTER “ONLY IF ACCESS HAS TOLD YOU ITS IS OKAY TO PROCEED!”

_____ Run the QRTRPT program (**Option Y**) and zero out all data for the quarter and calendar year-end.

Note*Do not zero out fiscal year data.**

_____ To insure the data cleared correctly, run the QRTRPT program again (OPTION N) and verify that the year to date and quarter to date totals on the report are zero.

_____ Update any Rate changes or Employee Deduction for 1st pay of the new year.



You have completed the USPS Calendar Year End Closing Procedures!!

WELCOME NEW YEAR.... January payroll processing for the next calendar year can begin.

ACCESS will notify you when your W2's are ready for pickup.