**USPS Fiscal Year End Checklist**

***Payrolls with July or later pay dates that are in the new fiscal year, cannot be processed unless the STRS Advance has been completed. The following error will be produced if trying to initialize the first pay in July before creating the STRS Advance Submission File.***

***\*\*\*\*RUNNING A PAYROLL IN JULY BEFORE RUNNING STRS ADVANCE \*\*\*\****

***Pre-Closing Procedures***

**The following pre-closing procedures can be completed any time prior to closing the fiscal year.**

\_\_\_1. Cost of Life Insurance Over $50,000.  For any employee that will be retiring at the end of the fiscal year, calculate the cost of life insurance over $50,000. Using thePayroll > Payroll Payments - Future or Payroll Payments - Current, enter the calculated life insurance cost as part of their final pay using a Pay Type of Life Insurance Premium. Click [here](https://www.irs.gov/pub/irs-pdf/p15b.pdf) for more information from the IRS regarding Group-Term Life Insurance and related costs. Click [here](https://mcoecn.atlassian.net/wiki/x/UwMm) for the Redesign checklist regarding reporting taxable amounts of life insurance premiums.

\_\_\_2.  Run the STRS Advance Reports to begin checking and balancing the reports

* Go to Reports > STRS Reporting > STRS Advance

·    Sort By - Employee Name. Can be changed from drop down if desired

·    Report Format - PDF. Can be changed from drop down if desired

·    Starting Date for the Academic Year - Enter 7/1/YYYY or choose from calendar

·    Ending Date for the Academic Year - Enter 6/30/YYYY or choose from calendar

* Click Generate Advance Fiscal Year to Date Report
* Click Generate Advanced Positions Report
* Click Non-Advance Positions Report

***Month-End Closing***

**\_\_\_**3.  Complete the Month End Closing process. The Month End Checklist can be found by clicking [here](https://mcoecn.atlassian.net/wiki/spaces/uspsrdoc/pages/2490742/USPS%2BMonth%2BEnd%2BClosing%2BChecklist).

***Quarter-End Closing***

\_\_\_4. Complete the Quarter End Closing process. The Quarter End Checklist can be found by clicking [here](https://mcoecn.atlassian.net/wiki/spaces/uspsrdoc/pages/2491575/Quarter-End%2BChecklist).

***Fiscal Year End Closing***

\_\_\_5. Create the SERS Liability Report for the Auditors

* Go to Reports > Wage Obligation by Employee
	+ Format - PDF and CSV for GAAP auditing purposes
	+ Report as of - June 30, 20XX
	+ Date to calculate payables through - June 30, 20XX
	+ Sort By - Employee Number
	+ Appointment Type - Classified
	+ Include Positions of archived Employees - Leave unchecked
	+ Select Pay Groups - Move all Classified pay groups to the Selected side
	+ Select Employees - Leave blank
	+ Generate Report
	+ Save the report on your computer for the Auditors use at a later time

\_\_\_6.  Run SERS Surcharge Report.  This report can be run now, saved, and used along with the SERS Surcharge Report sent by SERS.  Payment of the Surcharge amount is due within 30 days from notification that the final Surcharge amount has been calculated. This will need to be completed in the Payment Remittance application on eSERS.

* Reports > SERS Reporting > SERS Surcharge Report
	+ Fiscal Year - Defaults to the current year. can be changed if desired
	+ Include Fixed Pay Accounts - Defaults to be included
	+ Sort By - Defaults to Fund, can be changed using drop down
	+ Include Subtotal by Selected Sort Option? - Default to not subtotal by sort option, can be changed by checking the checkbox
	+ Report Format - PDF.  Can be changed by using drop down
	+ Click Generate SERS Surcharge Account Report
	+ Save the report on your computer for use at a later time

***STRS Advance Processing***

*Employees flagged as full-time must have at least 120 service days to be granted a full year of service credit toward retirement. Employees flagged as part-time will be given credit according to STRS rules outlined in the*[*STRS Employer's Manual*](https://www.strsoh.org/employer/reporting/sc/calculating.html)*. If you are in doubt about an employee's part-time or full-time status, please contact STRS and obtain a ruling.*

\_\_\_7.  Verify and balance all STRS Advance reports. These reports can be run as many times as needed

* Go to Reports > STRS Reporting > STRS Advance
	+ Sort By - Employee Name, can be changed from drop down if desired
	+ Report Format – PDF, can be changed from drop down if desired
	+ Starting Date for the Academic Year - Enter 7/1/YYYY or choose from calendar
	+ Ending Date for the Academic Year - Enter 6/30/YYYY or choose from calendar
	+ Click Generate Advance Fiscal Year to Date Report
	+ Click Generate Advanced Positions Report
	+ Click Generate Non-Advance Positions Report

**Advance Fiscal Year to Date Report** - A complete list fiscal year-end report for all STRS employees. Verify service credit and FYTD totals for each employee. Criteria for employees to appear on the report:

* Employee must have a position with retirement system set to STRS
* Employee must have earnings in the fiscal year. Earnings are a sum of 3 things. For an advancing compensation, the accrued wages will be added to earnings (accrued wages = contract obligation – amount paid – amount docked). Adjustment journals of type Total Gross that are applied to the STRS item for the employee with a transaction date within the fiscal year will be added to earnings. Finally, the applicable gross of historical STRS pay items paid to the employee on payrolls that are not imported from classic and have a pay date within the fiscal year will be added to earnings
* Employee must have a contract compensation with a date range that the current date falls within. AND the compensation pays paid is not equal to pays in contract or the compensation has been paid in the fiscal year **OR** Employee must have a non-contract compensation with a date range that overlaps the fiscal year

To balance the Advance Fiscal Year to Date Report, the Taxed + Non-Taxed Deposit Pickup should equal what has been paid to STRS to date plus the STRS Advance amount. Advance amounts from the previous FY are not tracked on the report and are tracked separately behind the scenes.  Those figures come from the 450 (if Taxed) or 591 (if Non-Taxed) and 691 (Pickup) withholding amounts for the current fiscal year (not including any advance amounts) and any new earnings that will be paid over the summer months while in advance.

**Advanced Positions Report** - Lists all advanced positions for the district. Verify all positions listed is accurate. Criteria for a position to advance:

* Employee must have a position with retirement system set to STRS and position must have a job status of Active or Inactive
* Employee must have a contract compensation with a date range that the current date falls within. The compensation work days must equal the contract work days on the compensation or the compensation work days must equal the contract work days as of June 30 (determined using work days from the calendars). Contract work days and days in contract must be greater than 0. Pays paid on the compensation must be less than pays in contract
* The compensation contract obligation – amount paid – amount docked must be greater than 0

**Non-Advanced Positions Report** - Lists all positions not advancing. Verify all positions listed should be. Core > Adjustments > Type equaling STRS Retirement Days and/or Core > Compensation Adjustments to update the Days Worked can be used to correct. Criteria for a position to not advance:

* Employee must have a position with retirement system set to STRS and position must have a job status of Active or Inactive. Must have a contract or legacy compensation for the position
* Employee must have a contract (or legacy) compensation with a date range that the current date falls within
* The position associated with the compensation must have a status of active or inactive
* The compensation pays paid must be less than pays in contract and there must be contract work days on the compensation greater than 0
* The compensation works days does not equal work days in contract or the compensation work days does not equal the contract work days as of June 30 (determined using work days from the calendars)

\_\_\_8.  Generate the STRS Submission File. ***\*\*NOTE\*\* This HAS to be completed before running the first pay in July. Verify that the amount is correct, comparing this to your STRS Advance Position report and the 'Advance Mode' box is checked, under Core > Organization.***



***District will receive an email from STRS, confirming the file was processed and received.***

* Reports > STRS Reporting > STRS Advance > Generate Submission File
* Save the STRSADXX06.TXT to your computer

**When the STRS Submission file is created, the system flags all eligible jobs in advance mode, sets the Core > Organization > STRS Advance Configuration > Advance Amount field is populated and checks the Advance Mode checkbox.  Each time Outstanding Payables are processed for STRS, the Core > Organization > STRS Advance Configuration > Advance Paid Back field is increased by the advance amount figure paid**



***IF APPLICABLE:***Merge your STRSADXX06.TXT with your third-party file. The third-party file will need to be in the [proper STRS Annual Record Layout](https://mcoecn.atlassian.net/wiki/display/uspsrdoc/STRS%2BAdvance#STRSAdvance-STRSAnnualReportingRecordLayout). **\*\*NOTE\*\* If district has not received the 3rd Party file at this time, they can move on with July payroll and merge the 2 files at a later time \*\* *As long as they have created the STRS Submission file and are in Advance - Double Check\*\****

* Go to Reports > STRS Reporting > STRS Advance
* Upload Advance Submission File For Merge, click Choose File. This is the Redesign STRSADXX06.TXT file
* Uploaded File to Merge, click Choose File. This is the third party file
* Click Generate STRS Merge Report. Verify the information in the report
* Click Merge Files

\_\_\_9. Upload the file to STRS

* Reports > STRS Reporting > STRS Advance
* Upload Submission File. Click Choose File. Browse to locate the STRSADXXXX.TXT file
* Click Submit Uploaded File to STRS

Once the STRS Advance submission file is uploaded to STRS, the Core > Organization > STRS Advance Configuration > ***'Submitted to STRS'*** has a Submission Timestamp field that can be used for verification purposes.

STRS Ohio will send a confirmation email once the file has been received.  Once STRS Ohio uploads the file (every few hours), you can view your annual report in ESS in the Employer Reports tab.

\_\_\_10. Close the June XXXX posting period and create the July XXXX posting period

* Go to Core > Posting Periods
* On the June XXXX line, click the  icon to close June XXXX
* Click Create
* When the pop-up box appears, set the Calendar Month to July, the Calendar Year to XXXX, and check the Current checkbox.  Click Create
* The upper right hand banner should now say July XXXX (FY XXXX)

**Restrictions during the advance:**

* The Pay Types of “Regular” and “Irregular” cannot be created for a Compensation if the STRS Advance checkbox is marked
* The following pay types will affect the Amount Paid Back field under SYSTEM/CONFIGURATION/STRS Advance Configuration
	+ Dock
	+ Retro
	+ Termination
	+ Pay off accrued wages
* If wanting to change Position numbers for employee's that are in advance, it is advised to NOT create new Payroll Items and assign them to the new Position.  This will affect the employee's advance

***You are now closed for the fiscal year, proceed with July's payroll processing***

***Payrolls with July or later pay dates in the new fiscal year cannot be processed unless STRS Advance has been completed. An error will be given if trying to Initialize the first pay in July:***

***\*\*\*Error - STRS Advance must be processed before running a payroll with pay date in July\*\*\****

***Post Fiscal Year-End Closing***

\_\_\_11.  After all the advance payrolls have been completed, verify the STRS advance balanced.

*After the last advance pay, if the Amount Paid Back is equal or greater than the Advance Amount, then the district will come out of advance and the Advance Mode checkbox on the Organization>STRS Advance Configuration will be un-checked. When the Advance Mode checkbox on the STRS Advance Configuration is unchecked, the Amount Paid Back will always display zero. If the Amount Paid Back is less than the Advance Amount after the last pay, then the Advance Mode checkbox on the configuration will not be un-checked and the Amount Paid Back will continue to show on the STRS Advance Configuration.*

* Go to Core > Organization > STRS Advance Configuration
* If the STRS Advance balanced, the Advance Amount should be 0.00, the Advance Mode checkbox should not be checked, the Amount Paid Back should be 0.00. Nothing further is required
* If the STRS Advance did *not* balance, there will be values remaining. These will need to be researched
	+ Run the Reports > STRS Reporting > **Check STRS Advance**report
		- Start Date - Enter the first STRS advance July pay date
		- End Date - Enter the last STRS advance pay date
		- Sort By - Select the same sort option that was selected when the STRS Advance Positions Report was run
		- Report Format - PDF.  Can be changed using the drop down
		- Generate
	+ Compare the amounts for each employee on the STRS Advance Positions Report and the Check STRS Advance Report
	+ Report any discrepancies to STRS as prior fiscal year corrections
	+ Post Core > Adjustments for the 450 and/or 591/691 using the Total Gross (450) and Amount Withheld (591/691) and the Fiscal Year To Date option
	+ Report the discrepancies to the ITC so the STRS Advance Configuration screen can be updated