

Quarter and Year-End Balancing

Balancing the QRTRPT information is an important part of the checks and balances within USPS. Many districts use this data to ensure the integrity of their quarter and year-end totals.

The sample QRTRPT provides details as to how these checks and balances work and what a district might do to be certain their records are in balance.

DATE 02/07/97	QUARTER, YEAR AND FISCAL TO DATE REPORT			Sample City Schools
TIME 14:07:04				1 Main Street
PAGE 1 (QRTRPT)				City
	QTD TOTAL	YTD TOTAL	FTD TOTAL	
TOTAL GROSS	1,087,443.09	4,495,622.29	2,209,236.95	
TOTAL ANNUITIES	110,838.34	438,872.46	172,358.18	
NON-FED. TAX ANNU. 'S	0.00	0.00	0.00	
NON-CASH EARNINGS	174.00	174.00	174.00	
TOTAL ADJUSTED GROSS	976,778.75	4,056,923.83		

The numbers appearing on the "TOTAL GROSS" line above are tallied from the JOBSCN QTD, FYTD and YTD gross fields.

The numbers appearing on the "TOTAL ANNUITIES" line above are tallied from the QTD, FYTD and YTD annuity amount fields found on the DEDSCN annuity records.

The numbers appearing on the "NON-CASH EARNINGS" line above are tallied from the QTD, FYTD and YTD non-cash earnings amounts showing on the JOBSCN records.

The numbers appearing on the "TOTAL ADJUSTED GROSS" line above are tallied from the adjusted (taxable) gross figures showing on the federal tax records.

In balancing this portion of the QRTRPT, the following manual calculation should be performed.

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TOTAL GROSS
- TOTAL ANNUITIES
+ NON-CASH EARNINGS
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CALCULATED TOTAL ADJUSTED GROSS

CALCULATED TOTAL ADJUSTED GROSS = TOTAL ADJUSTED GROSS
    
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If the CALCULATED TOTAL ADJUSTED GROSS does not equal the TOTAL ADJUSTED GROSS figure, several items should be researched.

1. Does the TOTAL GROSS equal the total of all payroll clearance amounts for the time period in question?

- If the answer to item 1 above is 'no', an AUDRPT should be run looking for manual changes to the gross figures on JOBSCN. Manual changes will alter the totals showing here.
- If the answer to item 1 above is 'yes', then proceed to the next check point.

2. Do the TOTAL ANNUITIES equal the total of all annuity deduction checks written? Refunds of annuities should also be taken into consideration.

- If the answer to item 2 above is 'no', an AUDRPT should be run looking for manual changes to the annuity amounts in DEDSCN. Manual changes will alter the totals showing here.
- If the answer to item 2 above is 'yes', then proceed to the next check point.

3. Do the NON-CASH EARNINGS equal the total amounts paid to employees using the NC1 pay type?

- If the answer to item 3 above is 'no', an AUDRPT should be run looking for manual changes to the non-cash earnings amounts in JOBSCN. Manual changes will alter the totals showing here. If a non-cash earnings pay type was missed on a payroll prior to the end of the calendar year, making a manual update to the files necessary, be sure the Non-cash earnings to-date fields on JOBSCN (3 of 3) have been updated otherwise QRTRPT will not balance to the NC1 pay types.
- If the answer to item 3 above is 'yes', then proceed to the next check point.

If the answers to any item was 'no', the user should determine why the manual changes were made and adjust again as necessary.

If the answer to all items was 'yes', then it has been determined that the CALCULATED TOTAL ADJUSTED GROSS figure is correct and the TOTAL ADJUSTED GROSS figure is incorrect. An AUDRPT should be run looking for manual changes to the taxable gross figures showing on the 001, DEDSCN records. The user should determine why the manual changes were made and adjust again as necessary.

Many times, this portion of QRTRPT is out of balance due to:

- Manual changes to annuities with no corresponding change to the taxable gross figures.
- Manual changes to the taxable gross figures following a refund of an annuity amount. The software will automatically add the refunded annuity amount to the taxable gross figures.

Once all new manual updates are made, a new QRTRPT should be run, and the balancing process started over.

DATE	02/07/97	QUARTER, YEAR AND FISCAL TO DATE REPORT					Sample City Schools	
TIME	14:07:04						1 Main Street	
PAGE	2 (QRTRPT)						City	
DEDUCTION NAME	DED	QTD TOTAL	YTD TOTAL	FTD TOTAL	QTD TAXABLE	YTD TAXABLE		
FED. TAX	001	130,324.71	535,825.37	263,161.98	976,778.75	4,056,923.83		
ST. TAX	002	33,460.79	138,419.08	68,018.43	976,778.75	4,056,923.83		
CITY	003	12,312.08	50,734.29	24,915.12	1,094,332.58	4,509,514.91		
SERSPU	400	0.00	0.00	.00	.00	.00		
STRSPU	450	0.00	0.00	.00	.00	.00		
AM FDLTY	500	75.00	100.00	100.00	.00	.00		
ANN-FR	501	1,218.00	4,377.80	2,336.00	.00	.00		
ANN-LI	502	1,530.00	6,095.00	3,035.00	.00	.00		
ANN-WISC	503	11,040.00	50,138.92	22,340.00	.00	.00		
ANN-MW	504	480.00	1,920.00	960.00	.00	.00		
ANN-IDS	505	375.00	1,275.00	675.00	.00	.00		
ANN-NOR	506	300.00	1,200.00	600.00	.00	.00		
M. FUNDS	507	6,181.50	21,526.00	10,263.00	.00	.00		
OHIO PUB	508	5,310.00	17,490.00	7,620.00	.00	.00		
MASS MUT	509	810.00	3,090.00	1,500.00	.00	.00		
CAPTRUST	510	1,200.00	2,200.00	1,600.00	.00	.00		
MER-LYN	511	2,375.00	9,095.00	4,625.00	.00	.00		
VAR ANN	512	1,950.00	3,800.00	2,900.00	.00	.00		
PAC MUT	513	360.00	480.00	480.00	.00	.00		
SERSPU	590	14,343.05	56,881.75	28,460.09	.00	.00		
STRSPU	591	63,290.79	259,202.99	84,864.09	.00	.00		
DENTAL	600	1,695.00	5,662.67	3,325.00	.00	.00		
HOSP.	601	2,640.00	12,152.42	5,650.00	.00	.00		
CANCER	602	117.21	468.84	234.42	.00	.00		
CAP. AM.	603	2,111.94	8,278.32	4,247.88	.00	.00		
PUR-STRS	604	690.57	2,762.28	1,381.14	.00	.00		
AEA	605	3,245.96	10,876.32	3,245.96	.00	.00		
CANCER	608	76.80	307.20	153.60	.00	.00		
BOARD	651	0.00	5,188.00	.00	.00	.00		
STRSBUYBK	652	0.00	608.00	.00	.00	.00		
GARNISH	653	0.00	24.00	.00	.00	.00		
GARNISH	654	0.00	24.00	.00	.00	.00		
CORRECT	655	0.00	40.00	.00	.00	.00		
STRSBUYBK	660	0.00	9,713.80	.00	.00	.00		
W. SAV.	661	300.00	1,200.00	600.00	.00	.00		
CLASSDUE	662	0.00	540.00	.00	.00	.00		
CERTDUE	663	0.00	200.00	.00	.00	.00		
SERSBDPU	690	697.62	3,008.53	1,511.51	.00	.00		
STRSBDDPU	691	22,504.45	93,168.96	34,377.78	.00	.00		
MEDICARE	692	6,345.72	24,159.55	12,430.73	490,713.85	1,860,975.25		

FICA	693	72.85	72.85	72.85	1,175.00	1,175.00
MEDBDPU	694	769.96	2,825.48	1,562.01	.00	.00
SAVINGS	700	37,527.55	142,834.37	77,495.31	.00	.00
SAVINGS	701	2,320.00	13,460.00	6,310.00	.00	.00
CHECKING	702	218,623.75	931,766.40	473,248.97	.00	.00
CHECKING	703	4,945.82	5,494.43	5,494.43	.00	.00
CHECKING	704	6,000.00	7,000.00	7,000.00	.00	.00
XMAS	751	4,992.00	15,222.00	9,626.00	.00	.00
XMAS 2	752	552.00	2,584.00	1,396.00	.00	.00
SAVINGS	753	2,580.00	3,340.00	3,340.00	.00	.00
SAVINGS	760	11,764.06	51,862.11	29,423.44	.00	.00
SAVINGS2	762	3,729.39	13,210.95	5,530.95	.00	.00
OSDI2602	800	71.61	299.90	149.63	10,240.77	42,979.33
OSDI8607	801	334.26	1,544.09	689.38	33,743.59	155,124.30
OSDI2003	802	40.20	169.90	86.10	7,955.58	33,654.74
OSDI8701	803	25.20	106.80	53.10	4,993.86	21,163.74
OSDI2603	804	59.70	79.60	79.60	6,080.40	8,107.20
GRAND TOTALS:		621,769.54	2,534,106.97	1,217,169.50		

The amounts showing above in the GRAND TOTALS section should be balanced to the deduction checks written in the balancing period. If these amounts do not balance as a total, then each deduction should be balanced individually in an attempt to isolate the incorrect amount.

Once the incorrect deduction code has been identified, an AUDRPT should be run to determine if manual changes were made to the deduction totals. If no manual changes were made, contact the DAS staff for assistance. If manual changes were made, then determine why the changes were necessary. Depending on why the changes were made, the district may need to contact the deduction company to request a refund or to indicate more money is due to them. Process the overpayment or payment due as required.

Once all new manual updates are made, a new QRTRPT should be run, and the balancing process started over.

FORM 941		QUARTERLY RETURN OF WITHHELD FEDERAL INCOME TAX	
LINE 1)	TOTAL EMPLOYEES EMPLOYED IN QUARTER	:	401
LINE 2)	QTD TAXABLE WAGES	:	1,425,014.48 (Includes board paid Medicare/FICA = 769.96)
LINE 3)	QTD FEDERAL WITHHOLDING	:	141,385.33
LINE 5a)	QTD FICA Taxable Wages	:	0.00
	QTD Employees' FICA contributions	:	0.00
	QTD Employer's FICA contributions	:	0.00 (Picked up by board = 0.00)
LINE 5c)	QTD Medicare Taxable Wages	:	1,479,607.10
	QTD Employee's Medicare contributions	:	21,454.74 (Picked up by board = 241.18)
	QTD Employer's Medicare contributions	:	21,454.74
LINE 11)	QTD FEDERAL WITHHOLDING DEPOSITS	:	184,294.81

The above section of the QRTRPT is used for completing the 941 information each quarter. The information given here should be transferable directly to the IRS 941 form.

The balancing in this section of the report includes the following items.

1. The amounts listed for QTD FEDERAL WITHHOLDING should equal the total of the quarter ending deduction checks sent to the IRS for withholding of federal taxes.
2. The amounts listed as QTD EMPLOYEE MEDICARE and EMPLOYEE FICA CONTRIBUTIONS balance to the employee share deduction checks for the quarter.
3. The amounts listed as QTD EMPLOYER MEDICARE and EMPLOYER FICA CONTRIBUTIONS should balance to the warrant checks for the quarter for these deductions.
4. The QTD MEDICARE TAXABLE WAGES times 1.45% should equal the EMPLOYEES' AND EMPLOYERS' MEDICARE CONTRIBUTION amounts. Rounding of a few pennies may be taken into consideration. The employer and employee shares should be the same.
5. The QTD FICA TAXABLE WAGES times 6.2% should equal the EMPLOYEES' AND EMPLOYERS' FICA CONTRIBUTION amounts. Rounding of a few pennies may be taken into consideration. The employer and employee shares should be the same.
6. The QTD FEDERAL WITHHOLDING DEPOSITS found on QRTRPT should equal the total of all the deduction and warrant checks written to the IRS for Medicare, FICA and income tax withholdings.

If any of the amounts do not equal and/or balance, the district should attempt to resolve this before closing quarter end processing. There are a number of possible causes for balancing problems in this section.

1. Manual changes; an AUDRPT should be run to verify any changes to the federal, Medicare or FICA tax amount figures.
2. Manual changes; an AUDRPT should be run to verify any changes to the federal, Medicare or FICA taxable wage figures.
3. Error adjustments that are from a prior reporting period. Again, an AUDRPT will show these adjustments were made.
4. The improper set up of Medicare records. All records set up with a percentage of 1.45% should have a category of "M" (Medicare) on them.
5. The improper set up of FICA records. All records set up with a percentage of 6.2% should have a category of "F" (FICA) on them.
6. The warrant checks processed for the board shares may have been for incorrect amounts. Verify the amounts as applicable.
7. If Medicare and FICA pick-up are not set up properly, balancing problems in this area can be created. When Medicare pick-up is used, the employee needs both a 692/693 and a 694/695. Both records are needed to insure proper calculation of the deduction and the taxable gross figures. This situation should be evaluated and corrected. In many cases, if this was not properly set-up, Medicare tax is still due to the IRS because the gross per payroll was not properly inflated. Manual calculations will be required and manual adjustments will be necessary on both Medicare records for the individual.

Once all new manual updates are made, a new QRTRPT should be generated and the balancing process started over.