

USAS

2015 CALENDAR YEAR-END CLOSING PROCEDURES

IRS – TIN Match Step 1

- ▶ IRS TIN Name Matching Program through eservices project
 - ▶ Bulletin 2108-A (Page 6 procedure for request)
 - ▶ Interactive TIN Matching option - Up to 25 name/TIN combinations
 - ▶ Bulk – 100,000 name/TIN combinations
- ▶ **What is the penalty for a payer who furnishes an incorrect name/TIN to IRS?**
- ▶ IRC Section 6721 provides a payer may be subject to a penalty for failure to file a complete and accurate information return, including a failure to include the correct payee TIN. The penalty is \$50 per return, with a maximum penalty of \$250,000 per year (\$100,000 for small businesses). The penalty for intentional disregard is \$100 per return, with no maximum penalty.

IRS-TIN Match

How to create an IRS eservice user account

- ▶ Legal name (verified with IRS & SSA records)
- ▶ Social Security Number (verified with SSA records)
- ▶ Date of birth (verified with SSA records)
- ▶ Telephone number
- ▶ E-mail address
- ▶ Adjusted Gross Income (AGI) from either your current year or prior year filed tax return (verified from IRS records)
- ▶ Username. Select your preferred username. Please read the rules for selecting your username
- ▶ Password and PIN. Select your password and PIN. Please read the helpful hints on selecting a secure, unique password and PIN
- ▶ Reminder question to recover a forgotten username
- ▶ Home mailing address (verified from IRS records). If you have moved since you last transacted with the IRS, please update your information when registering.
- ▶ Please have this information available before you continue on to the registration process. Thank you.

TINMATCH

- ▶ Optional - New Extract Program
- ▶ Use if more than 25 TIN/NAME combinations for bulk upload to IRS TIN Matching Program
- ▶ Only 1099 vendors with no TIN_TYPE will be selected
- ▶ Will use the "1099:vendor name" from the vendor record
- ▶ Only lists 1099 vendors that have no TIN_TYPE
- ▶ Type TINMATCH at the menu

TINMATCH

5

```
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

TIN/Name Matching 1 of 1
(Re) Execute F10 Reset
F7 Help F11 Save/Recall
F8 Exit
F9 Cancel
```

VENSCN – SSN/EIN Step 2

6

- ▶ New field added in VENSCN & VENLOAD
 - ▶ Must specify TIN type (SSN or EIN)
 - ▶ Valid values are "S", "E" or blank

```
VENDOR ADDRESS INFORMATION
Vendor : 010122 Status: 0 (Active )
Name : Bricker & Eckler LLP
2nd Name :
Address : 100 South 3rd Street
2nd Addr. :
City : Columbus
State : OH
Zip Code : 43215
Country :
Telephone : (614)227-4891
FAX Number: ( ) -
1099 INFORMATION
Type: 1 ID#: 314359739 SSN/EIN: _ Override:
```

VENSCN – SSN/EIN

7

- ▶ USALOAD/VENLOAD option can be used to upload the new fields value
- ▶ The new TIN_TYPE field cannot be queried using Safari.
- ▶ Query vendors bringing in fields that will help complete the SSN/EIN field
 - ▶ NAME, ADDRESS, FLAG_1099, 1099_TYPE, SSN_1099, STATUS, YTD TOTAL, VEN_1099_OVERRIDE
 - ▶ The query will bring in the vendor number under heading VENDOR_NO. Change it to VENDOR before VENLOAD. Add the TIN_TYPE column.

VENLOAD

8

- ▶ USALOAD/VENLOAD
- ▶ Spreadsheet required headers
 - ▶ VENDOR (Vendor Number)
 - ▶ TIN_TYPE (S if SSN, E if EIN, or blank)
- ▶ Additional headers can be added if you need to change other fields
 - ▶ 1099TYPE
 - ▶ 0=NON-1099
 - ▶ 1=NON-EMP COMPENSATION
 - ▶ 2=RENTS
 - ▶ 3=OTHER INCOME
 - ▶ 4=MEDICAL AND HEALTH CARE
 - ▶ 5=ROYALTY PAYMENTS
 - ▶ 6=ATTORNEY (GROSS PROCEEDS)

USAEXP/VENDOR_EXP

9

- ▶ Run this to look at all vendor data, if needed
- ▶ Conversion to spreadsheet is tricky; but, possible

VENSSN – Verify 1099 Data Step 3 and 5

10

- ▶ 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

11

- ▶ 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

Date: 01/03/06

VENDOR MASTER LISTING

Page: 1
(VENSSN)

Processing Month: December 2005
SAMPLEVILLE SCHOOLS

Ven #	Vendor Name	PO Mailing Address	City	St	Zip	Sts	SSN	Vendor YTD
004136	B & H 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	BUHRER GROUP ARCHITECTURE & ENG	314 CONANT STREET	HAUHEE	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 H. EISA	15-211 US RT. 6	NAPOLEON	OH	43545	A	000 11 9999	2,548.05
003087	WRITE-4MY PRODUCTIONS	PO BOX 64	MINSTER	OH	45865	A	000 11 0000	800.00

Report Totals ==>> 63,712.95

Vendor Names

13

- ▶ 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

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:

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

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

PAYER'S federal identification number	RECIPIENT'S identification number
349999999	348888888
FRAN SMITH	
12348 SAMPLE STREET	
SAMPLEVILLE	OH 55555-

Vendor Name Rules

15

- ▶ From IRS publication 2015 General Instructions for Certain Information Returns (page 10)
- ▶ **Sole proprietors.** You must show the individual's name on the first name line; on the second name line, you may enter the "doing business as (DBA)" name. You may not enter only the DBA name. For the TIN, enter either the individual's SSN or the EIN of the business (sole proprietorship). The IRS prefers that you enter the SSN.
- ▶ **Limited liability company (LLC).** For a single-member LLC (including a foreign LLC with a U.S. owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name only on the first name line and the LLC's name on the second name line. For the TIN, enter the owner's SSN (or EIN, if applicable). If the LLC is taxed as a corporation, partnership, etc., enter the entity's EIN.

Vendor Detail	
Vendor Address Information	Check Address Information
Vendor Number 85 Active	
Name JONES CONSULTING SERVICES	Check Name
2nd Name 1099:KARA JONES	Check 2nd Name
Address 123 MAIN STREET	Check Address
2nd Address	Check 2nd Address
City SAMPLEVILLE	Check City
State OH	Check State
Postal Code 55555	Check Postal Code
Country	Check Country
Phone (888) 555 - 1111	Check Phone () -
Fax () -	
1099 Information	Year-To-Date Totals
1099 Type Non-employee Compensation	Calendar YTD Total 2,000.00
ID# 222222222	Fiscal YTD Total 0.00
Override	
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/EIN

Check Vendor totals Step 4

17

- ▶ It's possible that calendar yearend adjust was not executed for the prior calendar year
- ▶ Run CHEKPY subtotaling by vendor and compare totals to the VENSSN totals
 - ▶ If the VENSSN totals are greater than CHEKPY, email helpfiscal@mveca.org

Month-End Closing Step 7-14

18

- Proceed with closing out for the month 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
 - USAEMSED - 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.

Month-End Closing Step 15

19

- Run reports that you need before MTD totals are cleared with your favorite options
 - BUDSUM, APPSUM, REVSUM
 - DETAILED PODETL - ALL FUNDS
 - FINDET & FINSUMM
 - RECLEL
 - DETAILED CHEKPY
 - CASH RECONCILIATION FROM OPTION 1 OF USAEMSED
- Generate any additional Calendar Year-End reports desired

BACKUP Step 16

20

- ▶ Run USASBACKUP
 - ▶ Before clearing any totals
 - ▶ Goes to the HISTORY CY15
 - ▶ Added this year You will be able to run YTD reports from this directory

VENHIRE/VHRESET Step 17

21

- ▶ 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.

Month-End ADJUST Step 18

22

- ▶ Run ADJUST and select "month-end"
 - ▶ You must NOT be running any other programs during this process.
 - ▶ Executes MONTHLYCD for December
 - ▶ Creates a backup of your files

Calendar Year-End Closing Step 19

23

- ▶ Run the program F1099 which creates 1099s for the current calendar year
 - ▶ 1099s can be created from the backup, if needed. Proceed to Calendar yearend ADJUST

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 : 2015

Calendar Year-End Closing

24

- Upon completion, the F1099 generates the following:
 - F1099.TXT – report of 1099 vendors sorted by miscellaneous income type
 - Will show an error if the SSN/EIN (TIN_TYPE) field is blank 
 - F1099.DAT – file containing the 1099 data that is to be used with laser-generated forms
 - F1099.FRM – file containing vendor 1099 information to be printed on blank pin-fed 1099 forms
 - F1099.TAP – tape file containing the vendor 1099 information to be sent to the IRS

F1099.TXT

25

FEDERAL ID NUMBER: 14-1956712

VENDOR 1099 ID

NUMBER NUMBER VENDOR NAME

ADDRESS

MISCELLANEOUS INCOME TYPE: Nonemployee compensation (Box 7)

010122 314359739 Bricker & Eckler LLP

100 South 3rd Street
Columbus OH 43215

*** ERROR *** MISSING OR INVALID TIN TYPE

Printing 1099s Step 20

26

- Print and check F1099.TXT report carefully
- EMAIL helpfiscal@mveca.org that f1099.dat is ready to be processed
- I will convert the .dat file and upload to OnBase
- District will print from OnBase or I will print and let you know when they are ready for pickup.

Calendar Year-End Closing Step 21

27

- ▶ Run ADJUST again Select "Year-End" and run for "Calendar"
 - ▶ You must NOT be running any other programs from your normal account during this process
- ▶ May begin processing for January

USAS-r

28