USAS

2018 Calendar Year-End Closing Procedures

Overview

- Calendar Year-End Closing Review
 - Submission date to IRS is early like last year
 - Electronic file due to IRS by January 31, 2019.
 - MVECA needs your final F1099.DAT file by January 18, 2019.

SSN/EIN – Required for 1099 Vendors – Step 1

- Run F1099 to find vendors with missing SSN/EIN
 - The scrolling program defaults to "Y" for creating a tape file.
 Change this to "N" for these preliminary reports.
 - Check to make sure all 1099 vendors have either a SSN or EIN
 - If errors exist, you will receive this notification when the report is complete
 - Vendors with errors will be identified on the F1099.TXT report

Data file is F1099.DAT Report is F1099.TXT. Form file is F1099.FRM

*** Errors Found! Please Check F1099.TXT file for details.

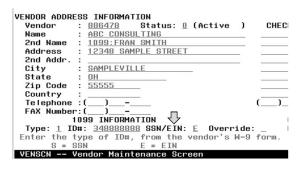
Processing Completed!

F1099.TXT

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

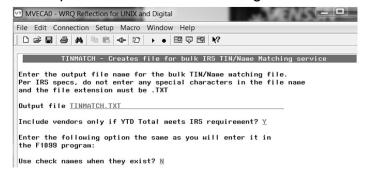
Vendor TIN_TYPE - Step 2

- The TIN Type was added to VENSCN to determine whether the Taxpayer Identification Number is a SSN or an EIN on the vendor record (in order for the ID number to be formatted correctly on the printed 1099's)
 - This field is only available from VENSCN (not in USASWEB



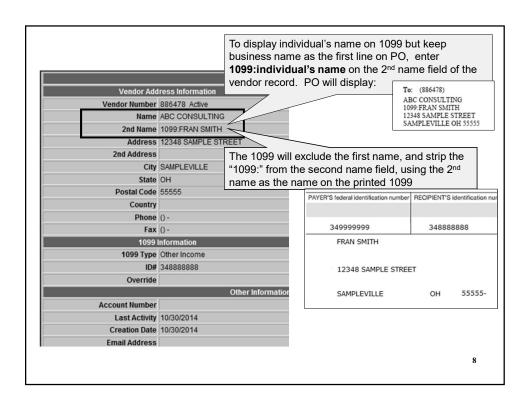
Vendor TIN_TYPE

- IRS TIN MATCHING Program
 - · Requires a an eService user login



Vendor Names -Step 3

- If the vendor uses a different name for 1099 reporting, the district may enter the 1099 reportable name on the "2nd Name" field.
- Enter "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



VENDOR NAMES

- The printed PO will display both Name and 2nd Name fields. If you don't want to display 1099:individual name on printed POs all year, enter the 1099:individual's name right before running the F1099 program. (Caution: requires a change each year)
- IRS guidelines (General Instructions for Certain Information Returns Forms 1096, 0197, 1098, 1099, 3921, 3922, 5498 and w-2G) state you MUST show the individual's name on the first name line of the printed 1099. If you want the DBA name on the second name line of the printed 1099, before running F1099, temporarily modify the name and 2nd name fields on the vendor record showing the individuals name in NAME field and DBA or LLC name in 2nd name field (no "1099:" needed)

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VENDOR NAMES from 1099 General Instructions

 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.

VENDOR NAMES from 1099 General Instructions

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		
Vend	or 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	0 -		
	1099 Information	Year-To-Date Totals	
1099 Type	Non-employee Compensation	Calendar YTD Total 2,00	0.00
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/FEIN	

Check vendor YTD totals- Step 4

- Compare CHEKPY YTD totals for 1099 vendors to the VENSSN report
- If the totals do not match, it's an indication that ADJUST for YEAREND was not complete for the previous calendar year.

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VENSSN – Verify 1099 Data – Step 5

- Check Data for 1099 Vendors
 - Run VENSSN using multiple selection options
 - 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**

- · 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: 10/1	9/17	V E N D O R H A S T E Processing Month: N SAMPLE SCHOOL TE	ovenber 2017	i					Page: (VENSSN)	1
Ven #	Vendor Name	PO Mailing Address	City	St	Zip	Sts		SSN	Vendor YT	D
000010 SAL	SAL, HAL	205 HONKA ST	SAMPLE	OH	43333	A	111	11 1111	630	0.0
000012 L00	T, JOHNIE	7777 LINDY LOOT LANE	BEESHAX	OH	4444	A	222	33 3444	3,374	1.8
000013 QUA	LITY HEDIA	100 LOOT LANE	SAMPLE	OH	43333 0188	A	341	52 1645	796	.1
000014 REE	SE HUSIC INC.	510 PEANUTBUTTER ST	SAMPLE	OH	43333	A	345	67 8910	3,267	1.1
000015 BLO	OHZ, ROSE	920 DIRTZ RD #3	TOPSOIL GREEN	OH	43400	A	111	22 2333	5,228	3.2
000016 HOR	TON HATERPARK SLIDE	247 N. TUBULAR HAY	HORTON	OH	44444	A	444	44 4444	4,144	1.4
000017 DRY	ER & WASHERS INC.	127 HASHFEET ST	HALDO SOUTH	OH	44444	A	333	33 3333	3,133	3.3
000018 RAH	EY, KAHEY THE RHYME GROUP, IN	1749 BLAHEY LANEY	LAHEY	TN	37373	A	373	73 7373	1,374	1.4
000021 STO	NES FOR SCHOOLS	PO BOX 7209	ROCKHAN	ĦΙ	59771	A	100	00 0000	642	2.9
000022 SLY	STALONE HOOD SHOP	502 BOXER ST	ARCHBOLD	OH	43502	A	888	80 8888	1,228	1.5
000023 REN	AISSANCE COLUMBUS DOWNTOWN	50 TURKEY ST	COLUMBUS	OH	43215	A	222	22 2222	920	1.6
000025 STE	VENS, JONA	888 WHALE RD	OCEAN	OH	43502	A	888	88 8889	1,273	3.2
000026 HOR	KS OF LIGHT	333 SPARKLIGHT AVE	TOLEDO	OH	43652	A	222	22 2222	217,967	1.1
000027 VIL	LAGE OF SAMPLEVILLE	P 0 B0X 406	SAMPLEVILLE	OH	42424 2424	A	424	24 2424	16,642	
000028 CRO	IIN PLAZA JEHEL CENTER NORTH H	11320 SAPHIRE ROAD	CINCINNATI	OH	45246	A	513	51 3513	2,745	ا.ز

Month-End Closing Steps 6-11

- Follow your normal month end balancing processes except Month end ADJUST.
- 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:
 - USAEMSEDT Cash Reconciliation Option 1
 - PODETL Outstanding POs
 - 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 match, run FIXENC.

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Month-End Closing Steps 12-13

- 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.
- Minimum month-end reports recommended:
 - BUDSUM, APPSUM, REVSUM
 - DETAILED PODETL ALL FUNDS
 - FINDET & FINSUMM
 - RECLED
 - DETAILED CHEKPY
 - CASH RECONCILIATION FROM OPTION 1 OF USAEMSEDT

Calendar Yearend Closing – Step 14-15

- Generate any additional Calendar Year-End reports desired
- Backup your database –USASBACKUP
 - All USAS Users must be at menu
 - Do not "X" out of Reflections or USASWEB LOGOUT
 - If you see a file conflict during the backup, contact MVECA Fiscal.
 - USASBACKUP creates HISTORY cy18 database

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Processing 1099s from a DEMO

- If more time is needed to get correct vendor information, request a demo database
- · Backup is copied to a demo
- Write <u>helpfiscal@mveca.org</u>
- We will send you a login
- Once you receive the login info, continue closing LIVE – Proceed to the next step
- MVECA will run MONTHLYCD and update the HISTORY CY18

VENHIRE/VHRESET – Step 16

- Run VENHIRE/VHRESET
 - Resets all vendors flagged as "Reported" to "Reportable"



 Vendor will be reported again the next year if they are paid at least \$2,500.

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AUTOPOST batch files – Step 17

- Check for Payroll, Void Payroll, Future PO batches to determine if they need to be posted prior to running ADJUST for the month
- Post using AUTOPOST or wait and post during ADJUST if all batch files for the next period can be posted.

AUTOPOST batch files

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BATCH Files Exist

```
This program will blank out MTD fields or YTD fields in the Master file according to your purpose for running it.

Are you running this for:

1. Month end processing or

2. Year end processing
3. Clear Project to Date fields
4. End this program (Recovery).

Enter your option now?

T

Have you posted all transactions and produced end of the month of June?

Enter the month (1 thru 12)

CCR>

Enter the month (1 thru 12)

CCR>

The following batch files have not yet been processed:

- USPS PAYROLL1994061501.BATCH : Payroll - pay date 06/15/1998.

- USPS PAYROLL1994061601.BATCH : Payroll - pay date 06/16/1999.

Any batch files containing transactions for the current month MUST be PROCESSESS before ADJUST can be run.

If these batch files contain any transactions that affect the SM2, then the SM2 must be recalculated.

Do any of these need to be posted in the month of June? (Y/N <Y>):

CCR>
```

Month-End ADJUST – Step 18

- Run ADJUST and select "month-end"
 - ► This program requires exclusive access. All USERS must be at the menu or logged out. The ADJUST command runs MONTHLYCD and SAVEBUD. You must **NOT** be running any other programs during this process.

Calendar Year-End Closing Step 19

 Run the program F1099 which creates 1099s for the current calendar year

```
District Information:
     1. Federal EIN
                                   : 349999999
     2. District name line 1
                                   : SAMPLEVILLE SCHOOL DISTRICT
                                   : TREASURERS OFFICE
     3. District name line 2
     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
Tape Submission Information:
    11. Create Tape File
                                          13. Payer Name Control
                                2018
    12. Payment Year
```

Calendar Year-End Closing Step 20

- Upon completion, the F1099 generates the following:
 - F1099.TXT report of 1099 vendors sorted by miscellaneous income type
 - F1099.DAT file containing the 1099 data that is to be used with lasergenerated 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
- Print and check F1099.TXT report carefully
- Write helpfiscal@mveca.org to create a helpdesk ticket saying that forms are ready to be printed and data submitted to IRS.

Calendar Year-End Closing – Step 21

- 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

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MVECA 1099 Procedures

- After the helpdesk ticket is acknowledged and assigned to an analyst, the analyst will confirm that the district has completed the F1099 program, we check to see that the F1099 files were created properly during the district's F1099 run.
- We take the F1099.DAT file and use it with the EDGE Account Ability software to generate 1099 forms to print on self-sealing 1099-MISC laser forms.

MVECA 1099 Procedures

- After the 1099s are printed, a district copy of the 1099 is created and imported into OnBase
- Each district will have a login to OnBase to view and print any needed copies (recipient or employer)
- · A 1099 report from Account Ability will be provided

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1099 Corrections

- If errors are found prior to 1/18/19, corrections are made in a demo and F1099 re-processed
- Errors found after 1/18/19 must be resolved following IRS guidelines.

NEW – Step 22

- Go to FISCWEB/ MVECA_INFO and review your user list.
- Send a marked up copy or an email with changes.
- We are audited each year on granting access to your district data

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Questions?