

USPS Calendar Year-end Checklist

This procedure outlines the steps to be taken to close the USPS calendar year-end.

Process any NC1 payments

Be sure to run the NC1 pay types for life insurance premiums over \$50,000 before your last payroll of the calendar year. See the chapter called **Reporting Taxable Amount of Life Insurance Premiums** in the USPS User Guide.

Month-End Closing

1) Run the RETIRE program

- o **A**) Select the SERSREG option. Choose to NOT create the tape file.
- o **B**) Review the SERSERR.TXT report and if needed clean up any possible errors.
- o **C**) Review the SERSDET.TXT report and verify employee earnings, days and hours.
- o **D**) Verify that the total contribution amounts listed on the SERSDET.TXT report equal the total deduction checks for SERS withholdings plus any warrant checks written for pick-up on pick-up.
- o **E**) Verify that contributions by employee equal earnings times the applicable retirement percentage. Allow for rounding (within a few cents).
- o **F**) Review service credit days for all employees on the report.
- o **G**) Once satisfied that the data is correct, run the program again and answer YES to create the, SERS submission file (SERS.YYYYMMDDXXXX.SEQ).
- o **H**) At the Menu> go to USPS and then USPS_LCL and choose the SERS_EMAIL process. You will then email the SERS tape files to yourself. This option may need to be executed more than once if there are multiple SERS tape files.
- o **I**) Open the attachment in your email and save it to your desktop or a folder of your choosing.
- o **J**) Upload your SERS tape file(s) to the eSERS website.
- o **K**) Before you begin running payroll for the next month run the SERSMONTH program. 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 the PAYROLLCD: AUDRPT, ABS101, BENRPT, CHKSTS and SERSMONTH.

2) Complete and submit the SERS monthly report and payments as required.

3) Verify that paperwork has been completed for employees listed on the report as “new”.

4) Balance the payroll account (when statement is received from bank).

- o A) Run CHKSTA to reconcile checks
- o B) Run CHKSTS option of the USPRPT program to generate an outstanding check register.

5) Run BENACC if applicable

Quarter-End Closing

6) Run QRTRPT selecting the demand option (N).

7) In the “Totals” section of QRTRPT, the gross and adjusted gross should balance using a manual calculation

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Gross
- Annuities
Adjusted gross calculated
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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.

8) All deduction checks for the quarter should equal the total deductions showing on QRTRPT. Be sure to verify the electronic transfers of federal and Medicare payments as well. This should be true for every deduction code.

9) The total gross showing on QRTRPT should equal the total of all payroll clearance checks created during CHKUPD for the quarter.

10) It is recommended that you balance the W2REPT quarterly to minimize problems at calendar year-end.

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

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

- o **E)** If errors are discovered, check employees that had exception processing during the quarter such as voided checks, error adjustments, or manual changes in USPSCN. The AUDRPT program can be useful in identifying these problems

11) Run PAYDED, to generate a non-zero deduction listing. To do so, set the “Payment Option” to A, leaving the “Pay Cycle” and “Deduction Codes” fields blank. On DEDRPT.TXT, verify that there are no outstanding deduction amounts.

12) 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.

13) Complete and file any required quarter-end submission forms.

14) For city withholdings, take the total gross times the percentage to be sure the tax withheld and submitted are correct.

Mobile employees could cause discrepancies

Run ODJFSRPT setting the “Create a submission file” to N to generate a report only

- o **A)** Check all totals carefully for accuracy. If necessary, adjustments can be made using **USPSCN/ATDSCN**.

16) When all data is correct, run ODJFSRPT again, this time indicating that you want to create a tape file for submission.

- o **A)** Contact NWOCA via email (mail_staff_fis@nwoca.org) and inform them that you have created the ODJFS tape file.

17) Only if hard copies of quarter end reports are desired, run the following:

USRPT/EMPMST (all data)

USPRPT/ERNSUM (all data for the quarter) – condensed version of ERNREG (170 column report)

ERNREG – (all data for the quarter)

QRTRPT – (all data –demand report)

IF YOU ARE READY TO COMPLETE W2 PROCESSING, PROCEED TO STEP 18 - W2 Processing Now.

IF YOU NEED TO BEGIN JANUARY PAYROLL PROCESSING BEFORE COMPLETING W2 PROCESSING, PROCEED TO STEP 18a - W2 Processing at a Later Time

W2 Processing NOW

18) Check W2 abbreviations on city DEDNAM records. The W2 form will truncate the abbreviation to six characters even though the field in DEDNAM allows twelve characters.

19) If you have any employees who have Sylvania, Bowling Green, Oregon, Perrysburg, Napoleon, Maumee, Whitehouse or Toledo tax withheld, the tax information can be filed electronically. NWOCA will submit this data on your behalf. Insure the entity codes are on the respective DEDNAM city tax records.

The information cannot be filed electronically unless the entity code is present. (SYLV, BOWLI, OREGO, NAPOL, PBURG, MAUME, WHOUS, TOLED.)

20) For any cities using either the 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 three digit code, and RITA and/or CCA description are entered on the city USPSDAT/DEDNAM record. (Ex. Swanton- RITA Entity Code RO784) Contact RITA or CCA to obtain the entity codes.

21) Contact NWOCA with any other cities that require electronic reporting.

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

23) Using the DEDSCN or the W2UPDT 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 costs, adoption assistance, third party pay, or a leased vehicle.

24) If an employee has reportable dependent care information that needs to appearing 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 action is necessary.

Questions on whether the dependent care is reportable or not should be directed to your district legal advisor

25) 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 the 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.

26) Run YTDRPT if desired. This report generates year-to-date totals and a benefit statement for all employees, pay groups, or individual employees.

27) Run OAPSE if desired. This report generates a listing of employee name, SSN, birthday, and year-to-date gross.

This can be found in the USPS menu, select the USPS_LCL option, then OAPSE

28) Run W2PROC. Saying N to Do you want to create a W2 Tape file. This program generates the following files:

W2ERR.TXT

W2REPT.TXT

W2FORM.TXT

W2BREAK.TXT

W2TAPE.SEQ

W2FORM.DAT

W2CCA.SEQ (only CCA entities)

W2RITA.SEQ (only RITA entities)

W2CITY.DAT

The W2FORM.DAT is used by NWOCA to print the actual W-2's for your district. If employees have more than two state, city, or OSDI tax records, the extra W-2 form necessary to accommodate this information will print on the W-2 immediately following the employee's primary W-2 .

Also produced is a file called W2TAPE.SEQ which will be submitted to the federal and state taxing entities for you by NWOCA.

For those districts reporting city tax information to RITA or CCA a file called W2CCA.SEQ and/or W2RITA.SEQ is generated. This file is used by NWOCA to submit the city tax information on your behalf.

29) Print the W2ERR.TXT and W2REPT.TXT reports and verify the data. Make changes to the data, if necessary, and rerun W2PROC. This program can be run as many times as necessary until all data is correct.

30) W2CITY.DAT is used for other city submissions and should not be printed.

31) W2BREAK.TXT shows where the W2 forms should be separated for possible distribution. The report lists each sort field and its starting control number. This report does not apply to Name or SSN sort options.

32) Run W2PROC Saying Y to Do you want to create a W2 Tape file.

33) Once all data is correct, contact NWOCA (within 48 hours) via email (mail_staff_fis@nwoca.org) with instructions to print the W-2 forms. Notification will be sent by NWOCA personnel when the W2's have been printed.

34) Mail the State IT-3 form and City of Sylvania SW-3 form (if applicable) to NWOCA.

If necessary, an IT-3 form can be printed by accessing the following url: http://tax.ohio.gov/documents/forms/employer_withholding/Generic/WTH_IT3.pdf

35) Run the procedure @PAY:USPS_CALENDAR_COPY or from the MENU>USPSCALEND

This procedure creates a copy of your files

36) From the USPS_ANN menu, run the CALENDARCD program

This procedure generates a standard set of calendar year-end reports and makes them available via the PAYROLLCD web directory.

- o Verify that the reports were copied to payrollCD.

37) Run QRTRPT and zero out all data for the quarter and calendar year (option Y). Do **NOT** zero out fiscal year data.

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

You have completed the USPS Calendar Year End Closing procedures and may begin payroll processing for the new calendar year.

W2 Processing at a LATER TIME

18a) Run the procedure @PAY:USPS_CALENDAR_COPY or from the MENU>USPSCALEND

This procedure creates a copy of your files. W-2 Forms may be generated at a later date, if necessary, from the files created by this procedure.

19a) Send an email to NWOCA personnel (mail_staff_fis@nwoca.org), indicating that wish to perform W2 Processing out of your _D account.

*****Do not proceed until***** NWOCA personnel sends an email back stating that your D account has been created. They will also include the username and password if you asked for it.

20a) Run QRTRPT and zero out all data for the quarter and calendar year (option Y). Do **NOT** zero out fiscal year data.

21a) To insure the data cleared correctly, run the QRTRPT program again and verify that the year to date and quarter to date totals on the report are zero.

22a) Continue with January payroll processing.

When you have completed your January pay and are ready to process W2's from the D account

23a) Log into _D account using username and password provided in the email instructions received from NWOCA personnel.

24a) Check W2 abbreviations on city DEDNAM records. The W2 form will truncate the abbreviation to six characters even though the field in DEDNAM allows twelve characters.

25a) If you have any employees who have Sylvania, Bowling Green, Oregon, Perrysburg, Maumee, Napoleon, Whitehouse or Toledo tax withheld, the tax information can be filed electronically. NWOCA will submit this data on your behalf. Insure the entity codes are on the respective DEDNAM city tax records. The information cannot be filed electronically unless the entity code is present. Contact the appropriate city to obtain their entity code if needed. (SYLV, BOWLI, OREGO, NAPOL, PBURG, MAUME, WHOUS, TOLED.)

26a) For any cities using either the Regional Income Tax Agency (RITA) of the Central Collection Agency (CCA) to report city tax information, verify the tax entity code, the appropriate RITA and/or CCA three digit code, and RITA and/or CCA description are entered on the city USPSDAT/DEDNAM record. Contact RITA or CCA to obtain the entity codes.

27a) Contact NWOCA with any other cities that require electronic reporting.

28a) Insure the OSDI four digit code appears first in the W2 abbreviation field in DEDNAM, followed by the school name if there is space. The four digit code is required on the W2.

29a) Using the DEDSCN or the W2UPDT 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 costs, adoption assistance, third party pay, or a leased vehicle.

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41a) From the USPS_ANN menu, run the CALENDARCD program

This procedure generates a standard set of calendar year-end reports and makes them available via the PAYROLLCD web directory.

- o Verify that the reports were copied to payrollCD.

42a) Run the procedure @PAY:USPS_CALENDAR_COPY or from the MENU>USPSCALEND

This procedure creates a new copy of your files.

You have completed the USPS Calendar Year End Closing procedures.