

Reimbursable Employee Expenses



All *Option #1* scenarios, the employee pays any federal, Ohio and OSDI taxes on amount paid through warrant as a part of the year-end tax return filing. However, if desired, the district can enter an error adjustment for a calculated amount prior to the last the calendar year payroll

Scenario 1

If paid through warrant check and district wants the amount to appear on the W2 as wages but not in box 14 as fringe benefits:

Option #1

- Calculate the amount of medicare tax as it applies to the total



If there is medicare pickup, be sure to inflate the amounts as well as the taxable gross

- Before the last pay of the calendar year:
 - Enter the Medicare amount due on the medicare record as an error adjustment both employee and employer amounts
 - If city withholding is needed,
 - Calculate the amount of city tax as it applies to the total
 - Enter above calculated amount on the city record(s) as an error adjustment
- Manually increase the total and taxable gross amount on the federal, Ohio, OSDI, city and medicare records (if applicable)

Option #2

- Total the amounts paid through warrant
- Add a DEDNAM record payable to the district; use a type of REG
- Add a matching DEDSCN record for each employee, entering the reimbursed amount paid to the employee as the amount to withhold, use a stop date so the deduction is active the one pay only
- Using a MIS pay in UPDCAL_FUT or UPDCAL_CUR, enter the reimbursed amount
- Deposit deduction check as a reduction of expenditure against the benefit account

Scenario 2

If paid through warrant check and district wants the amount to appear on the W2 as wages and in box 14 as fringe benefits

Option #1

- Calculate the amount of medicare tax as it applies to the total
- If there is medicare pickup be sure to inflate the amounts as well as the taxable gross
- Before the last pay of the calendar year, enter this amount on the medicare record as an error adjustment both employee and employer amounts
- Manually increase the total and taxable gross amount on the medicare records (if applicable)
- If city withholding is needed, calculate the amount of city tax as it applies to the total
- Before the last pay of the calendar year, enter this amount on the city record(s) as an error adjustment
- Manually increase the total and taxable gross amount on the city record(s) as it applies
- Manually increase the total and taxable gross on the OSDI record as it applies
- Enter the amount in the fringe benefit field on the 001 record
- Total the amounts paid through warrant
- Add a DEDNAM record payable to the district; use a type of REG
- Add a matching DEDSCN record for each employee, entering the reimbursed amount paid to the employee as the amount to withhold, use a stop date so the deduction is active the one pay only
- Using a MIS pay in UPDCAL_FUT or UPDCAL_CUR, enter the reimbursed amount
- Deposit deduction check as a reduction of expenditure against the benefit account
- Manually reduce the total and taxable gross amounts on the 001 and Ohio records by the total amount entered as the MIS pay
- Enter the amount in the fringe benefit field on the 001 record

Scenario 3

If paid through USPS and district want the amounts to appear on the W2 in box 14 as fringe benefits:

- Enter the amount in the 'fringe benefit' field on the 001 record
- Manually reduce the taxable and total gross amounts on the 001 and Ohio records by this amount (W2PROC will add it back to these figures based on amount in fringe field on 001)

Scenario 4

If paid through USPS and district does not want this included with the salary account changes on USAS:

- Post a reduction of expenditure to the 1XX object account and a negative reduction of expenditure to the desired object code fund.

Scenario 5

If paid part of the calendar year through warrant and part of the calendar year through USPS and district wants the amount to appear on the W2 as wages but not in box 14 as fringe benefits:

Option #1

- Determine the amount paid through warrant, this will be the total
- Calculate the amount of medicare tax as it applies to the total
- If there is medicare pickup be sure to inflate the amounts as well as the taxable gross
- Before the last pay of the calendar year, enter this amount on the medicare record as an error adjustment both employee and employer amounts
- If city withholding is needed, calculate the amount of city tax as it applies to the total
- Before the last pay of the calendar year, enter this amount on the city record(s) as an error adjustment
- Manually increase the total and taxable gross amount on the federal, Ohio, OSDI, city and medicare records (if applicable) by the amount paid through warrant

Option #2

- Prior to the last the calendar year payroll
- Total the amounts paid through warrant
- Add a DEDNAM record payable to the district; use a type of REG
- Add a matching DEDSCN record for each employee, entering the reimbursed amount paid to the employee as the amount to withhold, use a stop date so the deduction is active the one pay only
- Using a MIS pay in UPDCAL_FUT or UPDCAL_CUR, enter the reimbursed amount
- Deposit deduction check as a reduction of expenditure against the benefit account

Scenario 6

If paid part of the calendar year through warrant and part of the calendar year through USPS and district wants the amount to appear on the W2 as wages and in box 14 as fringe benefits:

Option #1

- Determine the amount paid through warrant, this will be the total
- Calculate the amount of medicare tax as it applies to the total
- If there is medicare pickup be sure to inflate the amounts as well as the taxable gross
- Before the last pay of the calendar year, enter this amount on the medicare record as an error adjustment both employee and employer amounts
- If city withholding is needed, calculate the amount of city tax as it applies to the total
- Before the last pay of the calendar year, enter this amount on the city record(s) as an error adjustment
- Manually reduce the total and taxable gross amount on the federal and Ohio records by the amount paid through USPS (W2PROC will add it back to these figures based on the fringe field on the 001 record)
- Manually increase the total and taxable gross amounts on the OSDI records by the amount paid through warrant
- Enter both the amount paid through warrant and the amount paid through USPS in the fringe field on the 001 record

Option #2

- Prior to the last the calendar year payroll
- Total the amounts paid through warrant
- Add a DEDNAM record payable to the district; use a type of REG
- Add a matching DEDSCN record for each employee, entering the reimbursed amount paid to the employee as the amount to withhold, use a stop date so the deduction is active the one pay only
- Using a MIS pay in UPDCAL_FUT or UPDCAL_CUR, enter the reimbursed amount
- Deposit deduction check as a reduction of expenditure against the benefit account
- Manually reduce the total and taxable gross amount on the federal and Ohio records by the amount paid through USPS previously plus the amount of the MIS pay (W2PROC will add it back to these figures based on the fringe field on the 001 record)
- Enter the amounts paid through warrant and the amount paid through USPS in the fringe benefit field on the 001 record

Scenario 7

District has paid the amounts through warrant and does not want anything on the W2:

- No action is needed

Non-Cash Amounts for W2 Reporting



In all Non-Cash Amount scenarios, the employee pays any federal, Ohio and OSDI taxes as a part of the year-end tax return filing. However, if desired, the district can enter an error adjustment for a calculated amount prior to the last calendar year payroll.

Scenario 1

If the district wants the amount to appear on the W2 as wages but not in box 14 as fringe benefits:

- Calculate the amount of medicare tax as it applies to the total
- If there is medicare pickup be sure to inflate the amounts as well as the taxable gross
- Before the last pay of the calendar year enter this amount on the medicare record as an error adjustment both employee and employer amounts
- If city withholding is needed, calculate the amount of city tax as it applies to the total
- Before the last pay of the calendar year, enter this amount on the city record(s) as an error adjustment
 - Manually increase the total and taxable gross amount on the federal, Ohio, OSDI, city and medicare records (if applicable)

Scenario 2

If the NC3 Pay Type had not been used the following would need to be done.

If the district wants the amount to appear on the W2 as wages and in box 14 as fringe benefits:

- Calculate the amount of medicare tax as it applies to the total
- If there is medicare pickup be sure to inflate the amounts as well as the taxable gross
- Before the last pay of the calendar year, enter this amount on the medicare record as an error adjustment both employee and employer amounts
- Manually increase the total and taxable gross amount on the medicare records (if applicable)
- If city withholding is needed, calculate the amount of city tax as it applies to the total
- Before the last pay of the calendar year, enter this amount on the city record(s) as an error adjustment
- Manually increase the total and taxable gross amount on the city record(s) as it applies
- Manually increase the total and taxable gross on the OSDI record as it applies
- Enter the amount in the fringe benefit field on the 001 record

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