

OFFICE OF STATE FINANCE

DCAR NEWSLETTER

Volume 13, Number 2

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November 1

The last issue of the *DCAR Newsletter*, Volume 13, Number 1, was issued on September 25, 2002. If you did not receive a copy of our last issue, consult your agency's finance officer or notify Norcetta Whitfield of OSF at 405-521-6203.

Questions or comments about information contained in this publication should be addressed to those noted in the article or the following Division of Central Accounting & Reporting (DCAR) staff members:

| | | |
|---|--------------|------------------------------|
| Transaction Processing: Steve Wilson | 405-521-4679 | steve.wilson@osf.state.ok.us |
| Accounting & Financial Reporting: Jennie Pratt | 405-521-3258 | jennie.pratt@osf.state.ok.us |
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1099MISC Reporting for ASA Accounts and P-Cards

Agencies are required to submit data for compliance with 1099 reporting on Agency Special Accounts (ASA) and Purchasing Card transactions (P-Card). Any payment which would have been recognized in treasury funds as an expenditure subject to 1099 reporting should be included in the submitted file. This information should be submitted electronically using the EDT Layouts attached. The data must be submitted by January 10, 2003.

The 1099 listing which is provided to agencies will be run on December 31, 2002. This listing will include only that ASA and P-Card data which has previously been transmitted. Corrections to this listing must be returned by January 10, 2003.

The 1099MISC forms require a phone number for the payor. The program will search our agency database and insert the phone number for the finance officer of the agency.

Payroll - End of Calendar Year 2002

December 13, 2002 - Last day refund of taxes due to overpayments can be returned to agencies. (See article below)

December 20, 2002 - December 20, 2002 at 12:00 noon is the latest that OSF will process EFT (direct deposit) cancellations for pay dates in calendar year 2002.

December 26, 2002 - OPM Agency Payroll system will be down from 5:00 pm on December 26, 2002 through 12:00 noon January 2, 2003. Please note that OPM's IMS will be available for updates during this period (except for the entry of new hires from December 27, 2002 through January 2, 2003). Also note that longevity payrolls cannot be run before January 2, 2003 due to rate changes in unemployment and FICA for year 2003.

December 27, 2002 - Backup withholding payments from agencies must be received by OSF. (see article below)

December 27, 2002 - Last day OSF will process payrolls for calendar year 2002. All payrolls must be in to OSF by 2:00 pm on this date. The electronic payroll system will close at 2:00 pm for the transfer of payroll. Any payrolls received but not processed will be voided out of the system and must be resubmitted on/after January 2, 2003 with new claim numbers and new rates.

January 1, 2003 - OSF payroll system will be down for end of year processing and payroll changes. On January 2, 2003, at 12:00 noon, OSF will begin processing payroll.

January 10, 2003 - Payroll warrant cancellations for calendar 2002 must be received at OSF by 3:00 pm on January 10, 2003. Any 2002 payroll cancellations received after January 10, 2003 will require a corrected W-2. Please note that payroll cancellations for 2003 issued payrolls may not be submitted until on/after January 11, 2003.

Payroll - Calendar Year 2003

Listed below is information necessary for payroll processing in calendar year 2003.

January 2, 2003 - OSF will begin processing payroll at 12:00 noon for 2003 warrant pay dates. Note: Payrolls processed after January 1, 2003 will post withholdings to the 993 fund. Please be careful when processing your withholding claims that you use the correct fund number when processing withholding claims.

January 13, 2003 - Payroll cancellations with 2003 pay dates can be processed.

Rates & Maximums

(Year 2002 rates are provided for comparison purposes):

| | 2003 | 2002 |
|---|-------------|-------------|
| FICA (Social Security) Withholding Rate | 6.2% | 6.2% |
| FICA (Social Security) Gross Maximum | \$87,000.00 | \$80,900.00 |
| FICA Annual Maximum Withholding | \$ 5,394.00 | \$ 5,263.80 |
| MQFE (Medicare) Withholding Rate | 1.45% | 1.45% |
| MQFE (Medicare) Gross Maximum | No \$ Max | No \$ Max |
| MQFE Annual Maximum Withholding | No \$ Max | No \$ Max |
| Unemployment Rate | 1.0% | 1.0% |
| Unemployment Gross Maximum | \$11,700.00 | \$10,500.00 |
| Unemployment Annual Maximum | \$ 117.00 | \$ 105.00 |

Tax Reporting Information for 2002

At the end of each tax year OSF prints IRS tax forms for agencies and submits this information to the IRS. Regulations generally require the agencies to distribute the tax forms to recipients by January 31 of the subsequent year. So within a narrowly defined time period, OSF and agencies must coordinate the transmission of data and distribution of the printed forms.

In November, 2002, finance officers of colleges and universities are provided a specialized packet of information regarding IRS Reporting for Higher Education institutions. The following information applies to all state agencies as well as colleges and universities. The issues that were addressed in the specialized packet of information remain applicable and are not included in the list below.

Important Dates for IRS Reporting Deadlines:

Completion Date IRS Form Submit Information

January 10, 2003 W-2 Last day to submit payroll cancellations for 2002
1099 R

January 10, 2003 1099 M Last day to update vendor information/transactions
W-2, 1099R Last day to submit payroll adjustments to OSF

January 10, 2003 1099 M Last day to submit EDT petty cash, P-Card and ASA data

January 23, 2003 All forms Agencies may pick up forms. OSF will ship forms at the request and expense of the agency.

January 27, 2003 All forms If forms are not picked up by 12:00 noon, OSF will distribute the forms in the customary method.

Reminders

W-2 and 1099 Reporting for 2002: OSF will have W-2s and 1099s ready for release on January 23, 2003. Agencies may pick up the forms at the State Capitol Building. If an express mail service or courier

is to be used, please notify OSF with the necessary information. If the forms are not picked up, OSF will mail them through our normal process. If you intend to pick up your W-2 forms at the Capitol, please check our website in January for details on parking and room location for pickup.

Correcting W-2s: Corrected W-2 forms must be to OSF by February 21, 2003. Please send the original W-2, a copy of the corrected form, and a letter explaining why you are making the correction. If the correction is due to a statutory canceled warrant which is not to be replaced, you must also send a letter asking that the warrant not be replaced. Note: Because a warrant has been canceled by statute is not a reason for such a W-2 correction. If it was a valid payroll payment, the employee is still entitled to a replacement warrant, therefore, the W-2 reporting is proper.

Listed below is contact information for OSF personnel working on the IRS reporting project for tax year 2002.

OSF Accounting and Reporting, Fax 405-521-3902

Barbara Low, Accounting and Reporting Analyst

Phone 405-522-6300

E-mail Barbara.Low@osf.state.ok.us

Beth Brox, Administrative Assistant

Phone 405-522-1099

E-mail Beth.Brox@osf.state.ok.us

Reminder: New Withholding certificates may be required (Form W-4)

An employee who certified to his or her employer on Form W-4 (Employee's Withholding Allowance Certificate) that the employee had no income tax liability for 2001 and anticipated no income tax liability for 2002 was entitled to an exemption from withholding for 2002. This exemption is effective until February 14, 2003, and must be renewed at that time if conditions remain the same. However, if the employee expects to incur income tax liability in 2003, a new Form W-4 must be given to the employer by December 1, 2002.

In addition, the loss of an exemption that affects withholding at the beginning of the next taxable year, such as a divorce or the loss of a dependent, should be reflected by an amended certificate on or before December 1. If the change occurs in December, the new certificate must be furnished within 10 days of the day on which the change occurs.

Envelopes

The format for W-2's will be the same as that used for 2001. Envelopes that fit the 2001 W-2 forms should fit the 2002 W-2 forms.

Backup Withholding

Agencies that have collected backup withholding on miscellaneous claims need to submit payment to be received by OSF prior to December 27, 2002. Make checks payable to the State Contribution Fund or submit payment on an interagency payment (15B) to Agency 467, Fund 400.

Refunds of Taxes for Overpayments to Employees (Form 94)

The last day agencies can submit requests for refunds of 2002 payrolls related to employee overpayments is December 13, 2002. Refunds cannot be returned to the agencies after this date. Corrections due to overpayments will still be posted to the employees W-2 information for requests submitted through January 10, 2003.

EDT - 1099 Vendor Information

Dataset Name: OSFCLM.TCLM.A###.MISC1099.VEND.LIST

Record Length: 107

File Description: Contains 1099 vendors for the requesting agency.

--COLUMNS--

FRM TO LENGTH DATA-TYPE DESCRIPTION

1 1 1 CODE_SSN_EIN Flag to determine if Tax ID

Number is an EIN or SSN or

Unknown

Values are E = EIN

S = SSN

"" = Unknown

2 2 1 FLAG_FOREIGN Flag to determine if vendor's
address is outside the U. S.

Values are Y = Foreign address N = US address

3 11 9 NUMB_TAX_ID Required. Tax ID Number.

Right justified filled with leading

"0"s

12 41 30 NAME_TAX_ID Required. Payee name. Enter
name of payee whose Tax ID

number appears in position

3-11. Surname first if possible

42 71 30 ADDR_STREET Required. Payee street
address. Do not enter City, zip
or state information in this field.

(If position 2 = Y then

position 42-107 can contain

the foreign address including

city and country information.)

72 96 25 ADDR_CITY Required unless FOREIGN
address. Payee city. Do not

enter zip or state information in

this field. If position 2 contains a

Y this field may contain your

FOREIGN address.

97 98 2 ADDR_ST Required unless FOREIGN
address. Payee State. You

MUST use valid U. S. Postal

Service state abbreviations. If

position 2 contains a Y, this field

may contain your FOREIGN

address.

99 103 5 ADDR_ZIP Required unless FOREIGN address. Payee 5 digit zip code. Enter valid ZIP CODE assigned by U. S. Postal Service. If position 2 contains a Y this field may contain your FOREIGN address.

104 107 4 ADDR_ZIP_PLUS_4 Payee 4 extra digits of zip code blank fill if unknown. If tape position 2 contains a Y this field may contain your FOREIGN Address.

EDT - 1099 Transaction

Dataset Name: OSFCLM.TCLM.A###.MISC1099.TRAN.LIST

Record Length: 91

File Description: 1099 Transactions processed for requesting agency.

--COLUMNS--

FRM TO LENGTH DATA-TYPE DESCRIPTION

1 3 3 CODE_FUND 3 digit fund number. Should be valid fund code for agency number in position 4-6. ZERO fill if unused.

4 6 3 NUMB_AGENCY Required. 3 digit agency number. MUST be a valid state agency number.

7 12 6 CODE_ACCT 6 digit account number. An Account number for valid fund agency in position 1-6. ZERO fill if unused.

13 22 10 NUMB_WRNT Required. A 10 digit number identifying warrant.

23 31 9 NUMB_TAX_ID Required. Tax ID Number. Right justified filled with leading "0"s

32 35 4 CODE_OBJECT Required. Object code number. 4 digit code used to identify class of expenditures when coding claims for payment.

36 37 2 CODE_AGENCY_OBJ_USE 2 digit number for use by the agency. Zero fill is not used.

38 45 8 DATE_ISSUE 8 digit date field in the form
YYYYMMDD. For example:
January 5, 1989 would be
19890105. ZERO fill if unused.

46 55 10 AMNT_EXPN Required. Signed number. Left
Justified and ZERO filled. DO
NOT put decimal in field.

56 61 6 NUMB_CLAIM 6 digit number. ZERO fill if
unused.

62 91 30 TEXT_NAME_VENDOR
Payee name. Enter name of
payee whose Tax ID number
appears in position 23-31.
Surname first if possible. Blank

BUDGET SYSTEM TRAINING

Budget System training is provided by the OSF Budget Division. Training sessions are provided for Budget Work Program Entry (BWP) and Budget Request / Strategic Plan Entry (BR/SP). Training will be provided in the morning on two consecutive days each month. The session for each component (BWP or BR/SP) will last approximately two hours. Training will be provided on the following dates: November 14/15; December 19/20; January 16/17; February 13/14, and March 20/21. Other training dates will be announced in future issues of the DCAR Newsletter and a schedule of the dates will be maintained on the OSF / Budget Division web site. These training sessions will be held at the OSF in the State Capitol Building, Room 122.

During May and June, more BWP sessions will be offered. Likewise, during August and September, more BR/SP sessions will be offered. Most likely, these sessions will be held in the OSF Training Room at 4545 North Lincoln on the second floor.

If you are interested in attending one of these training sessions, please send an e-mail to Bill Moore (bill.moore@osf.state.ok.us) at least one week in advance of the training session you wish to attend. Please provide all the information as shown at the end of this notice. Once your request has been received, you will be notified of the starting and ending time and the location will be confirmed. If you cannot attend a session for which you have been scheduled, please notify Bill Moore at least 24 hours prior to the session. Failure to attend or notify us that you cannot attend may jeopardize your ability to attend future training sessions.

Budget Request System Training - Request to Attend Training

Agency No. and Name: _____

Person completing this request for training:

Name: _____

Position in the agency: _____

Phone no.: _____

Employees to attend training sessions:

1. Name: _____; position: _____
phone no.: _____; date of session: _____
type of training: _____ (BWP or BR/SP)
Current ICS User I.D. _____ (enter "none" if a new I.D. is needed)
Current BR/SP User I.D. _____ (enter "none" if a new I.D. is needed)
e-mail address: _____

2. Name: _____; position: _____
phone no.: _____; date of session: _____
type of training: _____ (BWP or BR/SP)
Current ICS User I.D. _____ (enter "none" if a new I.D. is needed)
Current BR/SP User I.D. _____ (enter "none" if a new I.D. is needed)
e-mail address: _____

3. Name: _____; position: _____
phone no.: _____; date of session: _____
type of training: _____ (BWP or BR/SP)
Current ICS User I.D. _____ (enter "none" if a new I.D. is needed)
Current BR/SP User I.D. _____ (enter "none" if a new I.D. is needed)
e-mail address: _____

4. Name: _____; position: _____
phone no.: _____; date of session: _____
type of training: _____ (BWP or BR/SP)
Current ICS User I.D. _____ (enter "none" if a new I.D. is needed)
Current BR/SP User I.D. _____ (enter "none" if a new I.D. is needed)
e-mail address: _____