

**OFFICE OF STATE FINANCE
DCAR NEWSLETTER**

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The last issue of the DCAR Newsletter, Volume 18, Number 4, was issued on January 23, 2008. The DCAR Newsletter is available on the OSF webpage http://www.ok.gov/OSF/Comptroller/DCAR_Newsletters.html. 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 and Reporting (DCAR) staff members:

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TABLE OF CONTENTS

OK Financial Managers Association Quarterly Meeting	2
Miscellaneous Warrant Date – Reverse Previous Change	2
Revised Print Voucher Report	2
Reminder – Proper Invoice Numbers and One Invoice per Voucher	3
Clearing Account and Agency Special Account Reconciliation	3
Revised OSF Form 1933 – Sole Source/Brand Contracts	4
Reporting Requirements for Repayments of Prior Year Wage Amounts	4
Processing IRS Form W-4 in the Payroll System	5
PeopleSoft Retirement and Final Payroll Payments	5
HRMS Brown Bag Session	5
Family and Medical Leave Act Update	6

Oklahoma Financial Managers Association Quarterly Meeting

The next quarterly meeting for the Oklahoma Financial Managers Association will be held on Thursday, March 27, 2008 from 1:30 to 4:00 pm at the Business Conference Center, MetroTech Auditorium – Springlake Campus. The tentative agenda is as follows:

Taxable Fringe Benefits	Jennie Pratt, OSF
1099 Reports Issues	Beth Brox, OSF
Budget Issues for FY-2009	Brandy Manek, OSF
Procedures Manual and P/Card Procedures	Steve Wilson, OSF

The seminars are free of charge, however, you must register by March 20, 2008 so that adequate training materials can be ordered. Please register at www.okfma.com.

Miscellaneous Warrant Date – Reverse Previous Change

After the 8.9 upgrade in November 2007, warrants processed through the daily pay cycle were dated for the date they were available for release, which was the next scheduled business day. This has caused a timing difference for the warrants created on the last day of the month and the ALLTRANS Warrant file extract. Effective February 25, 2008, warrants returned to being dated the same day they are created. In order to transition to the current date, warrants created Friday, February 22, 2008 were dated Saturday, February 23, 2008. This will be important when running reports that prompt by payment date.

Revised Print Voucher Report

The Print Voucher Report, OCPAP0229, has been revised to run as a job rather than as a process. The purpose was to maximize efficiency when a voucher or warrant date is used as the only parameter, but it can be used to print vouchers using any of the available parameters.

The revised version was available February 19, 2008 and is displayed on the menu as Print Voucher (Revised). The existing Print Vouchers report will remain available until March 21, 2008 so that users can compare the results of the revised and original report. If any discrepancies are noted with the revised report, please contact the OSF Helpdesk at (405) 521-2444.

On March 24, 2008, the existing Print Vouchers report will be removed and the Print Vouchers (Revised) job will display as Print Vouchers on the menu. The report number of the new report is OCPAP0229_T.

Reminder - Proper Invoice Numbers and One Invoice per Voucher

This requirement is two-fold, first, the PeopleSoft system includes a duplicate invoice number check that will prevent a duplicate payment in the event that an invoice is entered into the system twice and second, as OSF moves towards electronic payments it will become more important that the Invoice ID field be populated with the specified invoice number from the vendor's invoice.

Many agencies have used this field to enter data that is peripheral to or something other than the vendor's invoice number. If the agency wants to put additional information on a voucher, they should be entering the information in the Comments field on the Invoice Information page of the Voucher Component. We are developing a query for agencies to use in viewing the data entered in the Comments field. We have sought input from various agencies to determine a format that would commonly meet agencies' needs through the new query. Currently we have one query, OCP_ALLTRANS_AP that includes the comments; however, it returns only paid vouchers for the selected date range.

Also, for this same reason as stated above, the voucher should be based on a single invoice. Therefore, no vouchers should be processed using multiple invoices and non-compliance will result in audit findings.

(Note: Past instructions on these requirements were provided in DCAR Newsletters, Volume 17, #6, dated 6/7/07 and Volume 18, #4, dated 1/23/08.)

Clearing Account and Agency Special Account Reconciliation - Third Notification

In October, 2006, and February 2007, agencies were notified of the need to reconcile their June 2006 Clearing and ASA balances with the PeopleSoft system as of June 30, 2006. The State Auditor and Inspector's Office is requiring that these accounts be reconciled to PeopleSoft. **Some agencies have not yet complied with this requirement.**

The reconciliations must be completed and data for FY2007 and FY2008 must be entered into the system before June 30, 2008. This applies to any agency which maintains a clearing account or an ASA that has not converted to a 7xx fund.

If you need assistance with this reconciliation, please contact Vivian Day at 521-6164 or vivian.day@osf.ok.gov.

Each agency will be trained to enter Clearing and ASA data into the PeopleSoft system as soon as the accounts have been reconciled. If your balances are correct and do not need adjustment, contact Vivian so that you can be trained to enter the data for fiscal years 2007 and forward.

Agencies must continue to reconcile these accounts with the PeopleSoft system on a monthly basis.

Revised OSF Form 1933 – Sole Source/Brand Contracts

Background

Specialized reporting by OSF is required on all sole source/sole brand acquisition over \$2,500.⁰⁰ entered into by a state agency. This reporting is provided to select members of the House of Representatives and State Senate. *Note: Excludes contracts with another state agency and regulated utilities.* (See OSF Procedures Manual Chapter 200, Section 297 and statutory reference of Title 74, § 85.45j.)

Reporting of “Exempt” Purchase Orders/Contracts

For agencies subject to the Oklahoma Central Purchasing Act, DCS Central Purchasing will gather sole source/sole brand acquisition data via the purchasing system and report it to OSF (agencies must properly identify the contracts as such).

Agencies exempt from the Oklahoma Central Purchasing Act, are required to report all executed sole source/sole brand data directly to OSF using an OSF Form 1933, "Exempt and Misreported (thru Central Purchasing) Sole Source/Brand Contracts/Purchase Orders". For your convenience, the form is on the OSF website under DCAR Forms.

Misreported Contracts: If an agency should fail to identify such contracts or purchase orders in the purchasing system as sole source/sole brand, they must be reported to OSF on Form 1933.

The completed form must be submitted to OSF by the last working day of the month following the reporting month (e.g., for contracts issued in February, the form must be submitted to OSF by March 31).

For questions concerning this reporting, please contact Steve Wilson at 521-4679.

Reporting Requirements for Repayments of Prior Year Wage Amounts

Repayments from employees made in the current year that are for overpayments of wages in a prior year must be repaid at the gross overpayment amount in accordance with Internal Revenue Service regulations.

A Corrected W-2 or a W-2C is required to be completed and sent to OSF. Only Social Security and Medicare wages and taxes are corrected on the form W-2 or W-2C. **DO NOT** correct Federal or State taxable wages or income taxes. The employee received and had use of the funds during the year of overpayment and as such, the amounts are taxable for federal and state purposes. The employee may be entitled to either a deduction or credit on their current year Form 1040. Please advise them to speak to their tax accountant.

Additional instructions for form W-2 are available on the IRS website, www.irs.gov.

For assistance, contact Lisa Raihl at 521-3258, lisa.raihl@osf.ok.gov or Jean Hayes at 522-6300, jean.hayes@osf.ok.gov.

PROCESSING IRS FORM W-4 IN THE PAYROLL SYSTEM

Please be sure to properly enter information into the payroll system when an employee submits an IRS Form W-4, Employee's Withholding Allowance Certificate. When claiming exempt from income tax withholding, the employee will have no calculated federal and/or state income tax withholdings unless they indicate on the form an additional amount to withhold. Although there may be no withholdings, the wages are still considered taxable and reportable for federal and state purposes. Choosing the wrong selection in the payroll system will cause wages not to be included in federal and/or state taxable wages at the end of the year on the W-2.

For agencies on PeopleSoft, the correct button to select is "Maintain taxable gross; FWT zero unless specified in "Additional Withholding" below. More information is available on the CORE website at: http://www.ok.gov/OSF/documents/hrms_taxtab.doc.

Some Agency HRMS users have selected the radio button -"Do Not Maintain Taxable Gross and Do Not Withhold Tax" on both the Federal and State Tax Tabs. This field should NEVER be selected. When an employee claims exempt on his or her W-4, the correct button to select is "Maintain taxable gross; FWT zero unless specified in "Additional Withholding" below. Please deselect this button immediately if you have not already done so, and contact Lisa Raihl at OSF since the 2008 records may also have been affected.

Therefore, some W2's for 2007 have under reported federal and state taxable wages. Additionally, federal and state wages have been incorrectly reported to the IRS and OTC. Corrected W-2s must be completed.

PEOPLESOFT RETIREMENT AND FINAL PAYROLL PAYMENTS

Please do not terminate an employee from a retirement plan before issuing the final paycheck. Earnings Codes in PeopleSoft have been configured to withhold and match retirement when appropriate. If an employee is terminated from the retirement plan prior to this final payout, agencies will be contacted by the applicable retirement system to pay both portions of any retirement due. This is especially important for retirees who are receiving prorated longevity, etc.

HRMS Brown Bag Session

The HR Team is planning the next Brown Bag Session, which will include a question and answer period during the last half of the meeting. Topics for this session are Managing Probation Dates, OPM Rejected Transactions, Data Auditing, Entering Tax Data and Processing Garnishments. It will be held on Friday, March 28, 2008 from 11:00 AM to 1:00 PM at the CORE Office, 3812 N. Santa Fe Ave., 1st Floor Map Room. Be sure to bring your questions and issues for the Team to address. There is no need to enroll...but don't forget your lunch!!!

FAMILY AND MEDICAL LEAVE ACT UPDATE

On January 28th, 2008, the Family and Medical Leave Act was amended to extend leave protections to the families of U.S. Armed Forces members. All covered employers are required to post the most recent FMLA poster along with the 5 other required Federal Posters. Additionally, state law mandates the display of 5 workplace posters. Below is a list of the required workplace posters.

FEDERAL POSTERS:

Federal EEO is the Law	U.S. Equal Employment Opportunity Comm.	800-669-4000
Employee Polygraph Protection	U.S. Department of Labor	866-487-9243
Federal Minimum Wage	U.S. Department of Labor	866-487-9243
Family Medical Leave Act	U.S. Department of Labor	866-487-9243
Federal Safety & Health (OSHA)	U.S. Department of Labor	202-693-1888
Uniformed Services Employment & Reemployment Act	U.S. Department of Labor	866-487-9243

STATE POSTERS:

OK Minimum Wage	OK Department of Labor	888-269-5353
OK Discrimination Law	OK Human Rights Commission	405-521-2360
OK Employment Security	OK Employment Security Commission	405-557-7136
OK Workers' Compensation	OK Workers' Comp Court	405-522-8600
PEOSH (For Public Employers)	OK Department of Labor	888-269-5353