

USPS Calendar Year-end Closing Checklist

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

- [Process any NC1 payments](#)
- [Process any NC2 payments](#)
- [Process any NC3 payments](#)
- [Verify SSN Numbers](#)
- [Quarter-End Closing](#)
- [W2 Processing NOW](#)
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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.

Process any NC2 payments

Be sure to run the NC2 pay types for adoption assistance before your last payroll of the calendar year. See the chapter called [Adoption Assistance](#) in the USPS User Guide.

Process any NC3 payments

Be sure to run the NC3 pay types for non-cash taxable benefits before your last payroll of the calendar year.

Verify SSN Numbers

Using W2MAINT, SSN can be verified at any time prior to printing W2's.

- SSAEVS - creates the EVSREQ2K.SEQ file to send to the Social Security Administration
- EVSTRN - used once the Social Security Administration returns your file. Please note, the file will need to be name EVSVER2K.SEQ and file transferred into Reflections.

Quarter-End Closing

- 1. Run QRTRPT selecting the demand option (N).
- 2. In the "Totals" section of QRTRPT, the gross and adjusted gross should balance using a manual calculation

Gross
<u>- Annuities</u>
Adjusted gross calculated

 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

- 3. All deduction checks for the quarter should equal the total deductions showing on QRTRPT. Be sure to verify all electronic payments as well.
 - CHKSTS can be run to generate a listing of deduction check totals.
 - Sort Option = C
 - Print Option = A
 - Check Type = D, E, G
 - Leave all other selection fields blank
- 4. The total gross showing on QRTRPT should equal the total of all payroll clearance checks created for the quarter.
 - CHEKPY can be run to generate a listing of all payroll clearance check.
 - Sort options = C
 - Sub-total by vendor = N
 - Print missing check numbers = N
 - Check types to select = P

- Check statuses to select = leave blank
- Print vendor from PO or check = P
- Date Selection = first day in quarter to last day of quarter
- Check Selection = leave blank
- Summary or Detail report = S
- Single or Double space summary report = S

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

- Run W2PROC (saying "N" to Create Tape file prompt) to generate W2 reports.
 - Balance the deduction totals (taxes and annuities) on the W2REPT.TXT report with the totals from the PAYDED.TXT reports from the quarter.
 - Balance the gross amounts on the W2REPT.TXT report with BUDDIS.TXT reports for the quarter.

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

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 AUDPRT can be useful in identifying these problems.

Complete and balance the W2REPT Reconciliation Worksheet for the quarter following the directions on the worksheet.

6. Run PAYDED to generate a non-zero deduction listing. This will assure all deductions have been paid to date.

- Under Selection Criteria:
 - Payment option = A
 - Pay cycle = leave blank
 - Deduction codes = leave blank
- Once the report is generated, view the DEDRPT.TXT and verify that there are no outstanding deduction amounts.

7. 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.

- CHEKPY can be run to generate a listing of all board paid deduction checks.
 - Sort options = C
 - Sub-total by vendor = Y
 - Print missing check numbers = N
 - Check types to select = M,W
 - Check statuses to select = leave blank
 - Print vendor from PO or check = P
 - Date Selection = January 1, XXXX to last day of quarter
 - Check Selection = leave blank
 - Summary or Detail report = S
 - Single or Double space summary report = S
 - Include or Exclude the following vendors? = I
 - Vendors = enter the vendor numbers for all board paid deductions

8. Complete and file any required quarter-end submission forms.

9. For city withholding, take the total gross on W2REPT.TXT times the city tax percentage. The calculated figure should equal the amount listed on the W2REPT.TXT. This amount should also equal the total checks submitted.

- CHKSTS can be run to generate a report of all checks created.
 - Sort Option = C
 - Print Option = A
 - Check Type = A
 - Specific Deduction Codes = enter all city deduction codes
 - Check Selection = leave blank
 - Issue Date = 01/01/XXXX to last day in quarter

 Mobile employees could cause discrepancies.

10. Process ODJFS report and submission file.

- Run ODJFSRPT for verification purposes.
 - Create a submission file = N
 - Reporting Year = enter appropriate year
 - Reporting Quarter = enter appropriate quarter
 - Max number of weeks = number of Saturdays in the quarter
 - District name = should default
 - Street address = should default
 - City = should default
 - State = should default
 - Zip = should default
- Review ODJFSRPT.TXT. If adjustments are necessary, USPSCN/ATDSCN - AD/OB can be entered.
- Run ODJFSRPT to create the tape file.

- Create a submission file = Y
- Reporting Year = enter appropriate year
- Reporting Quarter = enter appropriate quarter
- Max number of weeks = number of Saturdays in the quarter
- District name = should default
- Street address = should default
- City = should default
- State = should default
- Zip = should default

11. Send an email to mail_staff_fis@nwoca.org and inform them that you have created the ODJFS tape file.
12. 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 13.

If you are NOT ready to complete W2 Processing, [Proceed to W2 Processing at a Later Date](#)

W2 Processing NOW

13. 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.
14. If you have any employees who have Sylvania, Bowling Green, Oregon, Napoleon, Perrysburg, Maumee, Toledo or Whitehouse City 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, TOLED WHOUS)

Contact NWOCA with any other cities that require electronic reporting.

15. 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.
16. For any cities using either the Regional Income Tax Agency (RITA) or the Central Collection Agency (CCA) to report city tax information, verify employee's DEDSCN 'Employee/Residence' flag is defined.
17. 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.
18. Verify health savings account DEDNAM type is set to I.



This amount will be placed in Box 12 with code W.

19. Enter any non-taxable third party sick pay in the 001 Third party pay field.



This amount will be place in Box 12 with code J.

20. Enter any taxable third party sick pay following [Third Party Sick Pay](#) steps.
21. Enter any excludable moving expenses in the 001 Move Exp field.



This amount will be placed in Box 12 with code P.

22. Enter any fringe benefits in the 001 Fringe benefits field.
23. If NC1 payment for life insurance was **not** processed prior to calendar year end, do the following:
- Increase the QTD and YTD gross and taxable gross of the 001 DEDSCN record by the amount of the taxable premium.
 - Increase the YTD gross and taxable gross on the 002 DEDSCN record by the amount of the taxable premium.

- Increase the YTD gross and taxable gross on the city DEDSCN record IF required by the municipality.
- Increase the YTD gross and taxable gross on the FICA and/or Medicare DEDSCN by the amount of the taxable premium.
- Obtain payment from the employee for the FICA (6.2% of the taxable premium) and/or Medicare (1.45% of the taxable premium).
- Increase the YTD Deduct Total field on the FICA/Medicare DEDSCN(s) by the payment amount.
- Process a USAS transaction for the board share of Medicare.
- Enter the taxable premium on the 001 DEDSCN Life Insurance Cost field.
- Enter the taxable premium on the QTD, YTD, and FYTD fields for Non-cash earnings on JOBSCN (screen 3).



This amount will be placed in Box 12 with code C.

24. If not using the DPCARE deduction type, enter the amount of dependent care in the 001 DEDSCN Dependent Care field.



This amount will be placed in Box 10.

25. Enter the cost of company vehicle in the 001 DEDSCN Vehicle lease field.



This amount will be added to the total and taxable gross fields on the Federal and Ohio causing W2REPT to be higher. This amount will be placed in Box 14.

26. Enter any employee expense reimbursements. See [Reimbursements of Employee Expenses](#) document.



If these expenses were originally paid on the USAS side, this will create a balancing difference between QRTRPT and W2PROC. W2PROC may show higher gross amounts than actually paid through the USPS side.

27. Enter health reimbursement arrangement amounts in the 001 DEDSCN Hth Reimb field.



This amount will be placed in Box 12 with code FF.

28. Enter adoption assistance amount in the 001 Adopt. assist. field.



This will be treated as an excludable fringe benefit. This amount will be placed in Box 12 with code T.

29. Verify cost of employer sponsored health care.
- If updates to employees are necessary, enter the amount in the 001 DEDSCN Emplr Hth field.



USPLOAD can be used to mass update changes.



This amount will be placed in Box 12 with code DD.

30. Run W2PROC (saying "N" to Create Tape file prompt).



W2ERR.TXT is the error report.

W2REPT.TXT is report of all W2 information.

W2FORM.TXT is no longer used.

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.

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.

W2TAPE.SEQ which will be submitted to the federal and state taxing entities for you by NWOCA.

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

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

- 31. Verify the W2ERR.TXT report.
- 32. Verify and balance the W2REPT.TXT report. Make any necessary changes to the data and rerun W2PROC.



This program can be run as many times as necessary until all data is correct.

- 33. When all W2 data has been verified and is accurate run W2PROC again
 - Saying "Y" to the Create Tape file prompt
- 34. Send email (mail_staff_fis@nwoca.org) to NWOCA (within 48 hours) stating W2 are ready for printing.



The email should include:

- The sorting method for employee copies (if something other than sorting when W2PROC was run)
- Delivery method - pick up at the Archbold office or mail.



Notification will be sent by NWOCA personnel when the W2's have been printed.

- 35. Mail the State IT-3 form and select city taxation form(s) (if applicable) to NWOCA.

NWOCA

Attn: Fiscal Services Department

209 Nolan Parkway

Archbold, OH 43502



If necessary, an IT-3 form can be printed [here](#)

- 36. Run YTDPRPT if desired.

 This report generates year-to-date totals and a benefit statement for all employees, pay groups, or individual employees.

37. Run OAPSE if desired.

 This report generates a listing of employee name, SSN, birthday, and year-to-date gross.

38. Run the procedure @PAY:USPS_CALENDAR_COPY or from the MENU>USPSCALEND.

 This procedure creates a copy of your files.

39. From the USPS_ANN menu, run the CALENDARCD program.

 This procedure generates a standard set of calendar year-end reports on PAYROLLCD.

40. Verify that the reports were copied to [PAYROLLCD](#).
41. Run QRTRPT and select option Y to zero out all data for the quarter and calendar year. **Do NOT zero of fiscal year data.**
42. 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.

W2 Processing at a later date

- 43. Run the procedure @PAY:USPS_CALENDAR_COPY or from the MENU>USPSCALEND.

 This creates a copy of your files and allows W2's to be processed at a later time.

- 44. Send an email to NWOCA personnel (mail_staff_fis@nwoca.org), indicating that you wish to use your _D account for W2 Processing.
- 45. Run QRTRPT and select option Y to zero out all data for the quarter and calendar year. **Do NOT zero out fiscal year data.**
- 46. 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.
- 47. Continue with January payroll processing

Ready to process W2's from the D account

- 48. Log into _D account using username and password provided in the email instructions received from NWOCA.
- 49 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.

- 50. If you have any employees who have Sylvania, Bowling Green, Oregon, Napoleon, Perrysburg, Maumee, Toledo or Whitehouse City 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, TOLED WHOUS)

Contact NWOCA with any other cities that require electronic reporting.

- 51. 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.
- 52. For any cities using either the Regional Income Tax Agency (RITA) or the Central Collection Agency (CCA) to report city tax information, verify employee's DEDSCN 'Employee/Residence' flag is defined.
- 53. 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.

- 54. Verify health savings account DEDNAM type is set to I.

 This amount will be placed in Box 12 with code W.

- 55. Enter any non-taxable third party sick pay in the 001 Third party pay field.

 This amount will be place in Box 12 with code J.

- 56. Enter any taxable third party sick pay following [Third Party Sick Pay](#) steps.
- 57. Enter any excludable moving expenses in the 001 Move Exp field.

 This amount will be placed in Box 12 with code P.

- 58. Enter any fringe benefits in the 001 Fringe benefits field.

59. If NC1 payment for life insurance was **not** processed prior to calendar year end, do the following:
- Increase the QTD and YTD gross and taxable gross of the 001 DEDSCN record by the amount of the taxable premium.
 - Increase the YTD gross and taxable gross on the 002 DEDSCN record by the amount of the taxable premium.
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 - Increase the YTD Deduct Total field on the FICA/Medicare DEDSCN(s) by the payment amount.
 - Process a USAS transaction for the board share of Medicare.
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 - Enter the taxable premium on the QTD, YTD, and FYTD fields for Non-cash earnings on JOBSCN (screen 3).

 This amount will be placed in Box 12 with code C.

60. If not using the DPCARE deduction type, enter the amount of dependent care in the 001 DEDSCN Dependent Care field.

 This amount will be placed in Box 10.

61. Enter the cost of company vehicle in the 001 DEDSCN Vehicle lease field.

 This amount will be added to the total and taxable gross fields on the Federal and Ohio causing W2REPT to be higher. This amount will be placed in Box 14.

62. Enter any employee expense reimbursements. See [Reimbursements of Employee Expenses](#) document.

 If these expenses were originally paid on the USAS side, this will create a balancing difference between QRTRPT and W2PROC. W2PROC may show higher gross amounts than actually paid through the USPS side.

63. Verify cost of employer sponsored health care.
- If updates to employees are necessary, enter the amount in the 001 DEDSCN Emplr Hth field.

 USPLOAD can be used to mass update changes.

 This amount will be placed in Box 12 with code DD.

64. Enter health reimbursement arrangement amounts in the 001 DEDSCN Hth Reimb field.

 This amount will be placed in Box 12 with code FF.

65. Enter adoption assistance amount in the 001 Adopt. aassist. field.

 This will be treated as an excludable fringe benefit. This amount will be placed in Box 12 with code T.

66. Run W2PROC (saying "N" to Create Tape file prompt).



W2ERR.TXT is the error report.

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W2FORM.TXT is no longer used.

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

- 67. Verify the W2ERR.TXT report. Verify and balance the W2REPT.TXT report. Make any necessary changes to the data and rerun W2PROC.



This program can be run as many times as necessary until all data is correct.

- 68. When all W2 data has been verified and is accurate run W2PROC again
 - Saying "Y" to the Create Tape file prompt
- 69. Send email (mail_staff_fis@nwoca.org) to NWOCA (within 48 hours) stating W2 are ready for printing.



The email should include:

- The sorting method for employee copies (if something other than sorting when W2PROC was run)
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Notification will be sent by NWOCA personnel when the W2's have been printed.

- 70. Mail the State IT-3 form and select city taxation form(s) (if applicable) to NWOCA.

NWOCA

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If necessary, an IT-3 form can be printed [here](#)

- 71. Run YTD RPT if desired.



This report generates year-to-date totals and a benefit statement for all employees, pay groups, or individual employees.

- 72. Run OAPSE if desired.



This report generates a listing of employee name, SSN, birthday, and year-to-date gross.

- 73. Run the procedure @PAY:USPS_CALENDAR_COPY or from the MENU>USPSCALEND.

 This procedure creates a copy of your files.

- 74. From the USPS_ANN menu, run the CALENDARCD program.

 This procedure generates a standard set of calendar year-end reports on PAYROLLCD.

- 75. Verify that the reports were copied to [PAYROLLCD](#).
- 76. Run QRTRPT and select option Y to zero out all data for the quarter and calendar year. **Do NOT zero of fiscal year data.**
- 77. 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.