

# OFFICE OF STATE FINANCE

## DCAR NEWSLETTER

Brenda Bolander, State Comptroller  
Steve Funck, Deputy State Comptroller

Volume 22, Number 5

FY-2012

Nov. 10, 2011

The last issue of the DCAR Newsletter, Volume 22, Number 4, was issued on Oct. 12, 2011.

The DCAR Newsletter is available on the OSF website at

[http://www.ok.gov/OSF/Comptroller/DCAR\\_Newsletters.html](http://www.ok.gov/OSF/Comptroller/DCAR_Newsletters.html).

Accounting: Jennie Pratt	(405) 521-6160	<a href="mailto:jennie.pratt@osf.ok.gov">jennie.pratt@osf.ok.gov</a>
General Ledger: Dan Thomason	(405) 522-4992	<a href="mailto:dan.thomason@osf.ok.gov">dan.thomason@osf.ok.gov</a>
Payroll: Lisa Raihl	(405) 521-3258	<a href="mailto:lisa.raihl@osf.ok.gov">lisa.raihl@osf.ok.gov</a>
Transaction Processing: Steve Wilson	(405) 521-4679	<a href="mailto:steve.wilson@osf.ok.gov">steve.wilson@osf.ok.gov</a>
Payroll Processing: Elsa Kunnel	(405) 521-6178	<a href="mailto:elsa.kunnel@osf.ok.gov">elsa.kunnel@osf.ok.gov</a>
AP Manager: Patricia Garcia	(405) 522-6855	<a href="mailto:patricia.garcia@osf.ok.gov">patricia.garcia@osf.ok.gov</a>
Vendor Maintenance: Julie Dvorak	(405) 522-1749	<a href="mailto:julie.dvorak@osf.ok.gov">julie.dvorak@osf.ok.gov</a>
OSF Service Desk (PeopleSoft questions)	(405) 521-2444	<a href="mailto:helpdesk@osf.ok.gov">helpdesk@osf.ok.gov</a>
Financial Reporting Unit: Deric Berousek	(405) 521-3298	<a href="mailto:deric.berousek@osf.ok.gov">deric.berousek@osf.ok.gov</a>
ARRA: Steve Funck	(405) 521-3231	<a href="mailto:steve.funck@osf.ok.gov">steve.funck@osf.ok.gov</a>
ABS: Riley Shaul	(405) 521-4775	<a href="mailto:riley.shaul@osf.ok.gov">riley.shaul@osf.ok.gov</a>

### **TABLE OF CONTENTS**

#### **PAYROLL**

Use of State Contribution Fund - Vendor 0000000467	3
Refunds of Taxes for Overpayments to Employees (Form 94(P) )	3
HB 2363 Employee Health Insurance Premium Amount	3
Agency Address Verification	3
E-Verify	4
Envelopes	4
OSF Form PWC, Payroll Warrant Cancellation	4
Payroll Warrants Issued in Error	5
Payroll Stat Cancelled Warrants Not Eligible for Reissue	5
Centralized Oklahoma Child Support Payments	5
OSF Alerts	6
IBM Payroll Accounting System Health Care Act W-2 Reporting Requirements	6
Higher Education Deduction/Trailer Codes	7
PeopleSoft Deduction/Trailer Codes	8

#### **ACCOUNTING**

Trip Optimizer – HB 1035 – Request for Policy	9
Change to Voucher From Remote Agencies (EDT File)	10
Interagency Payments	10

## TRAINING

### Upcoming Local Training/CPE

10

## **PAYROLL**

### **Use of State Contribution Fund - Vendor 0000000467**

Vendor 0000000467, State Contribution Fund, should only be used for tax payments due to OSF for backup withholding on vendors and other withholding taxes due that were not processed through the payroll system (for example 1042-S withholding, GTL taxes).

Agencies that have vendors requiring backup withholding on miscellaneous claims need to process and submit payment to OSF at the same time payment is made to the vendor. Agencies that have taxes due on items not processed through the payroll system need to process and submit payment to OSF immediately for timely deposits to the IRS.

Please make warrants payable to the State Contribution Fund (Vendor 0000000467, ADDR # 002, LOC # 0002) and send to OSF, Room 122 at the Capitol, to the attention of Jean Hayes or Lisa Raihl. Along with the warrant, please send the details of the transaction; vendor name, ID, gross payment amount, and other information as needed.

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### **Refunds of Taxes for Overpayments to Employees (Form 94(P) )**

Agencies need to review all outstanding employee overpayments and collect required amounts from employees. After collection, please submit OSF Form 94 or Form 94P (as applicable). Agencies will be entitled to receive refunds for all forms submitted by Friday, Dec. 16, 2011. After this date, refunds cannot be returned to the agencies; however, agencies are still required to submit the form after this date for employee wage corrections. Corrections due to overpayments will still be posted to the employee's W-2 information for requests submitted through Friday, Jan. 6, 2012.

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### **HB 2363 Employee Health Insurance Premium Amount**

Agencies that submit HB 2363 voluntary buyout reimbursement applications to OSF are reminded of the change in employee health insurance premiums. The application, OSF Form 2363, must include the cost of the employee's health insurance at the date the severance payment is made. Please be mindful of this when submitting applications with separation dates for calendar year 2012. Applications with calendar year 2011 premium amounts will be returned to the agencies for correction.

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### **Agency Address Verification**

Please verify the correct agency address is being used in the payroll system. The agency address can be found on the Employee's Earnings Statement. If the address is not correct for the agency, this will need corrected before year end processing of tax forms. For PeopleSoft agencies, please contact the OSF Help Desk to have the agency's address updated in the payroll system. For those agencies on the legacy PACS (Higher Education), please contact OSF, Lisa Raihl at (405) 521-3258 or Jean Hayes at (405) 522-6300.

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## **E-Verify**

Pursuant to O.S. 25:1313, HB 1804 (2007), every public employer was required to register with and utilize the Status Verification System (E-Verify) as described in O.S. 25:1312 to verify the federal employment authorization status of all new employees effective November 1, 2007. Please review agency procedures to ensure compliance with statute.

For agencies on the State PeopleSoft HCM system, a query is available to assist agencies in self auditing compliance with Form I-9 and E-Verify requirements, and to correct any identified discrepancies. The query GO\_HR\_AUDIT\_EVERIFY shows either incomplete I-9 or incomplete E-Verify employees in PeopleSoft. This query should be run periodically to maintain compliance.

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## **Envelopes**

The format for the W-2 forms will be the same as that used last year. Envelopes that fit the 2010 W-2 forms should fit the 2011 W-2 forms.

The format for the 1099 MISC forms is the same as last year. The forms will have three sections with the top 1/3 and the middle 1/3 of the page containing the two copies of the form. The bottom 1/3 of the page will include instructions and a mailing address. To view the 1099 forms and envelope information, go to: [http://www.1099express.com/laser\\_forms.asp](http://www.1099express.com/laser_forms.asp). Click on View for 1099 Misc on blank letter size paper. This is an example of the 1099 form and can be printed directly from there for measuring your envelopes. The vendor also specifies that either the standard no. 9 or 10 envelopes will work.

Sample printed forms of the PeopleSoft W-2, Legacy W-2, and 1099 MISC can be provided if requested. Please contact OSF, Lisa Raihl at (405) 521-3258 or Jean Hayes at (405) 522-6300.

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## **OSF Form PWC, Payroll Warrant Cancellation**

The OSF Form PWC should only be used when an employee is not entitled, in part or whole, to the funds. All PWC forms received by OSF will begin the process to retrieve the funds, if direct deposit, and cancel the warrant in the payroll system.

### **Paper Warrant Cancellations:**

The original warrant must be marked "Void", attached to the completed PWC form, and then sent to OSF Transaction Processing. These requests cannot be processed by fax.

### **Direct Deposit Cancellations:**

Fax OSF Form PWC (09/09) to 405-521-3902. Verify the fax was successful. After faxing the request to OSF, mail the original PWC to OSF Transaction Processing.

Requests for cancellation of direct deposits must be made by completing the revised PWC form and faxing it to OSF to initiate the cancellation procedures. To ensure that direct deposit funds are returned, the PWC request must be received by 12:00 P.M. (noon) three business days prior to the effective pay date. Any faxed request for cancellation of direct deposits after that cutoff will be subject to recall or reversal procedures which are subject to denial by the employee's bank.

Once the funds have been returned to the State, OSF will process a cancellation in the payroll system which returns the funds to the agency. If the funds cannot be recovered from the bank, the agency will be notified and must follow the existing overpayment procedures.

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### **Payroll Warrants Issued in Error**

If for any reason a state agency receives a payroll warrant issued in error, the warrant should be returned as soon as possible to OSF for cancellation. Payroll warrants must be accompanied by an OSF Form PWC. Warrants issued by the State Treasurer which for any cause remain outstanding or unpaid for a period of ninety (90) days shall be revoked and canceled under the provisions of Title 62, O.S., Section 34.80. For warrants canceled by statute the cash is transferred to the canceled warrant fund: agencies will not be refunded the value of the canceled warrants.

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### **Payroll Stat Cancelled Warrants Not Eligible for Reissue**

Agencies should be reviewing the PS Financials Payroll 36 Month Statutory Cancellation Report on a regular basis.

If there is a payroll warrant listed and the employee is entitled to the funds, please complete the OSF Form 20R and send the employees their due pay.

If there is a payroll warrant listed and the employee is not entitled to the funds, the issuing agency must notify the Office of State Finance. (Title 62, O.S., Section 34.80.) Notification should include the warrant number, warrant date, and must be signed by an agency approving authority. Please send notification to Transaction Processing stating that the warrant should not be reissued. In addition, the amounts must be removed from the employee's earning record. Please contact Lisa Raihl at (405) 521-3258, [lisa.raihl@osf.ok.gov](mailto:lisa.raihl@osf.ok.gov) or Jean Hayes at (405) 522-6300, [jean.hayes@osf.ok.gov](mailto:jean.hayes@osf.ok.gov).

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### **Centralized Oklahoma Child Support Payments**

As announced in the Sept. 16 DCAR newsletter, OSF Division of Central Accounting and Reporting (DCAR) began central payment of Oklahoma child support to the Oklahoma Child Support Services OCSS/Oklahoma Centralized Support Registry (PeopleSoft vendor ID 0000190715) for state agencies. Child support withholdings are being processed by OSF through electronic funds transfer (EFT) with electronic reporting of detail to DHS.

DCAR will run the process to report and make payment to the OCSS, PS vendor ID 0000190715 every Monday. The process is run for payments with dates from the second previous Saturday through the previous Friday, for example; paychecks with an issue date between 11/05/2011 – 11/11/2011 will be processed to pay the child support withholdings on 11/14/2011.

In PeopleSoft Financials, a journal entry will be created to remove the funds from the agency's 994 fund. The agency will see a debit to the 633190 account and a credit to 101000.

**NOTE:** Any known pending refunds to be processed or reversals of payroll warrants will need to reduce the payment going to the OCSS. Agencies must notify OSF of any pending items that will affect the child support payment. If we are not notified and payment is processed, the agency will be responsible for contacting DHS and attempting to get a refund. If the funds have already been

disbursed to the recipient, then money cannot be refunded back to the agency. Timely communication from the agencies is critical in these situations.

All payments going to the OCSS must be set up to use Vendor ID 0000190715. Payments to Vendor ID 0000000830 or Vendor ID 0000197419 for the OCSS are no longer allowed. AP vouchers already created for either of these vendors will need to be paid by the agencies. The process is not set up to centrally report or pay on these vendors. A list has been provided to the OSF CORE HCM team and agencies should be contacted regarding the changes needed. Only Vendor 0000190715 will be used for payment to the OCSS from this point in time.

Institutions of higher education are not currently included in the central payment process but will be reevaluated after the conversion to the HCM system.

For questions regarding this new process, please contact Lisa Raihl at (405) 521-3258, [lisa.raihl@osf.ok.gov](mailto:lisa.raihl@osf.ok.gov) or Jean Hayes at (405) 522-6300, [jean.hayes@osf.ok.gov](mailto:jean.hayes@osf.ok.gov).

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### **OSF Alerts**

Many notifications are sent out from the OSF Help Desk relating to PeopleSoft Financials and HCM, IBM Payroll Accounting System (PACS), and other applications that benefits users. Please follow the link: <http://www.ok.gov/triton/modules/oknotify/index.php?id=65> to sign up for the notification groups you wish to join. You will receive the latest notifications from these groups.

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### **IBM Payroll Accounting System Health Care Act W-2 Reporting Requirements**

Beginning with 2012, the IRS has mandated Box 12 reporting for the cost of employer-provided health coverage. The W-2 must show the amount in Box 12 with Code DD.

Higher Education institutions will continue to submit cafeteria amounts using the current trailer code 0325 Other Caf  . A new method for tracking only the W-2 Box 12 DD reportable amounts has been developed.

A new trailer code (0601) has been assigned to report the cost of employer provided-health insurance amounts in the payroll claim S record. Within the S record, the amount will be included as part of the Miscellaneous Withholding field (285 – 290) and the Deductions array field (330 – 579). The deduction array field will contain the trailer code (0601) and applicable dollar amount (xxxxxx). This will allow the amounts to post to a specific field within the payroll system for W-2 reporting. The amount to be reported in this field is the total cost of the health insurance, both the employee and the employer shares.

Institutions will be notified once the new trailer code is placed into production; please do not submit payrolls for calendar 2012 before receiving this notification.

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## **Higher Education Deduction/Trailer Codes**

For insurance purposes in calendar year 2012, please distribute this listing to Payroll and Human Resource Directors. Questions may be directed to Lisa Raihl at (405) 521-3258, [lisa.raihl@osf.ok.gov](mailto:lisa.raihl@osf.ok.gov) or Jean Hayes at (405) 522-6300, [jean.hayes@osf.ok.gov](mailto:jean.hayes@osf.ok.gov).

### **ADJUSTMENTS TO IRS SECTION 125**

<b>CODE</b>	<b>DESCRIPTION</b>
0101	Group Term Life
0102	Gratuity Tips
0103	Students (Higher Education)
0104	Vehicle Usage
0105	Miscellaneous (other taxable fringe benefits)
0106	Moving Expense
0107	Cash Tips
0108	Charge Tips
0121	Medical Reimbursement
0122	Dependent Care
0123	Visual Care
0131	Medical Reimbursement/other Cafeteria Plans
0132	Dependent Care/other Cafeteria Plans
0135	Other Section 125 Refunds (other than 131 and 132)
0137	Health Savings Account (HSA)
0155	Group Cafeteria – Other authorized adjustments

### **CODES FOR OTHER CAFETERIA**

<b>CODE</b>	<b>DESCRIPTION</b>
0321	Medical Reimbursement
0322	Dependent Care
0325	Other Section 125
0326	Parking – pretax
0327	Health Savings Account (HSA)

### **OTHER MISCELLANEOUS ITEMS**

<b>CODE</b>	<b>DESCRIPTION</b>
0600	Roth 403b after tax deduction
0601	Cost of Employer-Provided Health Insurance

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## **PeopleSoft Deduction/Trailer Codes**

For insurance purposes in calendar year 2012, please distribute this listing to Payroll and Human Resource Directors. Questions may be directed to Lisa Raihl at (405) 521-3258, [lisa.raihl@osf.ok.gov](mailto:lisa.raihl@osf.ok.gov) or Jean Hayes at (405) 522-6300, [jean.hayes@osf.ok.gov](mailto:jean.hayes@osf.ok.gov).

<b>EBC Deductions</b>	<b>Pre-tax</b>	<b>After-tax</b>	<b>Other</b>
OptOut ( <b>Beg 1/12</b> )			0219
Tricare OptOut ( <b>Beg 1/12</b> )			0220
Medical Reimbursement (HCA)	221		
Dependent Care (DCA)	222		
Transportation Account	297		
Invisible Bracelet	298		
Health Savings Account	299		
EE & DP Vision Service Plan (VSP)	290	490	
EE & DP Primary Vision Care Services	292	492	
EE & DP United HealthCare Vision	293	493	
EE & DP Humana/Comp Benefits	294	494	
EE & DP Superior Vision Services	296	496	
EE GlobalHealth Wellness Alt+ ( <b>Beg 1/12</b> )	504	604	
DP GlobalHealth Wellness Alt+ ( <b>Beg 1/12</b> )	505	605	
EE CommunityCare Wellness Alt+ ( <b>Beg 1/12</b> )	506	606	
DP CommunityCare Wellness Alt+ ( <b>Beg 1/12</b> )	507	607	
EE UnitedHealthcare Wellness Alt+ ( <b>Beg 1/12</b> )	508	608	
DP UnitedHealthcare Wellness Alt+ ( <b>Beg 1/12</b> )	509	609	
EE Community Care Standard	512	612	
EE Health Choice High	513	613	
EE United HealthCare Standard	514	614	
EE Global Health Standard	520	620	
EE Tricare Supplement ( <b>Beg 1/12</b> )	523	623	
EE HealthChoice S-Account	525	625	
EE HealthChoice High Alternative	526	626	
EE HealthChoice Basic	528	628	
EE United HealthCare Alternative	529	629	
EE Community Care Alternative	530	630	
EE HealthChoice USA	531	631	
EE Global Health Alternative	532	632	
EE HealthChoice Basic Alternative	533	633	
DP Community Care Alternative	537	637	
DP Community Care Standard	538	638	
DP Global Health Alternative	541	641	

<b>EBC Deductions</b>	<b>Pre-tax</b>	<b>After-tax</b>	<b>Other</b>
DP United HealthCare Standard	542	642	
DP Global Health Standard	544	644	
DP Tricare Supplement ( <b>Beg 1/12</b> )	547	647	
DP HealthChoice USA	549	649	
DP HealthChoice High	550	650	
DP HealthChoice Basic	551	651	
DP HealthChoice Basic Alternative	552	652	
DP HealthChoice High Alternative	555	655	
DP United HealthCare Alternative	557	657	
DP Health Choice S-Account	559	659	
EE & DP HealthChoice Dental	560	660	
EE & DP Assurant Heritage Plus	561	661	
EE & DP Assurant Freedom Preferred	562	662	
EE & DP CIGNA Dental	563	663	
EE & DP Delta's Choice PPO	566	666	
EE & DP Delta Dental PPO – POS	567	667	
EE & DP Assurant Heritage Secure	568	668	
EE & DP Delta Dental Premier	569	669	
EE Disability	570	670	
EE Basic Life	575	675	
EE Supp Life	585	685	
DP Life Low		690	
DP Life Standard		691	
DP Life Premier		692	

## ACCOUNTING

### **Trip Optimizer – HB 1035 – Request for Policy**

There have been many questions and concerns with the changes for using the trip optimizer program (Fleet Management Trip Calculator). Agencies having concerns with the optimizer program may write proposed agency procedures addressing situations where they believe there is appropriate justification for not using the lower cost options identified by the optimizer.

Please e-mail these procedures to Steve Wilson ([steve.wilson@osf.ok.gov](mailto:steve.wilson@osf.ok.gov)). We will review them and provide feedback.

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## **Change to Voucher From Remote Agencies (EDT File)**

Agencies transmitting claims to PeopleSoft have been encouraged to transact interagency payment by placing an "I" in column 208 of the Payee Record Layout; however, a change has been made to the program to prevent claims with the vendor ID 0000000290 (Oklahoma Employment Security Commission) from creating a voucher when the payee record layout contains the "I". Agencies transmitting claims to reimburse OESC for unemployment claims should populate column 208 of the Payee Record Layout with an "E" to generate an EFT payment. If location 0001, address 1, is the remitting location and address, a remittance advice will be emailed to [Jane.Pulse@oesc.state.ok.us](mailto:Jane.Pulse@oesc.state.ok.us). If another remitting location is used, the agency will need to email Jane Pulse directly.

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## **Interagency Payments**

Department of Central Services, the Oklahoma State Treasurer, and the Office of State Finance have requested that all interagency payments be made to them using the electronic payment method "WIR" on the voucher. This method defaults into the voucher when selecting the proper remittance location for these agencies. Alternate agencies using the Vouchers from Remote Agencies (VFRA) file to transmit claims should place an "I" in column 208 of the Payee Record Layout whenever using the vendor IDs 0000000580, 0000000740, and 0000000090. The Office of State Finance will begin reviewing vouchers with interagency payments made by check to these agencies and will contact the remitting agency to change the payment method to "WIR" before payment is made.

OST and OSF encourage all agencies to begin using the "WIR" method to make interagency payments before HB 1086 takes effect. Although not all agencies are currently set up to accept interagency "WIR" payments, most agencies are and users entering vouchers can determine which agencies are eligible to receive electronic payment by clicking the lookup glass next to the Account field on the Payment page of the Voucher. Agencies with a four digit "AGY0" account number (excluding 2900) where AGY is the agency number are eligible. Agencies using the VFRA file to transmit claims should look for more information in the next DCAR newsletter regarding agencies that are not eligible at this time to receive interagency payments.

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## **TRAINING**

### **Upcoming Local Training/CPE**

#### **Financials Analytics Demo**

OSF and eVerge will be hosting a kick-off meeting to demo the Financials Analytics product that will be available in December. This product will provide reports and dashboards noting key metrics for General Ledger, Accounts Payable and Accounts Receivable subject areas. In addition, it utilizes a business intelligence reporting tool that will give agencies ad-hoc reporting capabilities. Please plan to attend one of these sessions to learn more about this new functionality.

DATE: Tuesday, November 29, 2011

TIMES: 10 a.m. or 1:30 p.m.

PLACE: Concourse Theater (located in the tunnel between the Will Rogers and the Sequoyah buildings), Oklahoma City

**OFMA Meeting December 8, 2011**

The Oklahoma Financial Managers Association is planning its next quarterly meeting. Seminars are provided free of charge. To ensure an adequate number of training materials and refreshments are available, please register at: [www.okfma.com](http://www.okfma.com)

DATE: Thursday, Dec. 8, 2011  
TIME: 1:30 to 4 p.m.  
PLACE: Business Conference Center Auditorium  
MetroTech Springlake Campus  
1900 Springlake Drive, Oklahoma City, OK  
SPEAKERS: Dr. Marla Sanchez  
Topic: "Learning to Manage Fear....So It Doesn't Manage You"  
Mr. William A. Maus, MAXIMUS Consulting  
Topic: "How to Get the Most out of your SWCAP\$\$"

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