

## **Institutions of Higher Education – Separation Project**

### **October 28, 2015 Q & A Session – Project Update and Other Info**

#### **Script Highlights**

Opening (opening slide)

[Lisa Raihl] We have with us today, Sheri Mauck from the Regents, Lynne Bajema, Lisa McKeithan, Patricia Garcia, Ayana Wilkins, Brad Sutherlin, Jean Hayes, Jennie Pratt, Brad Madore, Monica Cox and Melody Wright, all from OMES. We also have a special guest, Rakib, he is with the OU Fellowship Program and is shadowing Brad Madore, welcome Rakib.

We also have the following representatives from the Oklahoma Tax Commission will us: Jerry Leonard, deputy director of taxpayer assistance; Shera Floyd, taxpayer assistance registration manager; Jim Fourcade, compliance director; Jack Dobbins, compliance deputy director, and Darla Nordstrom, revenue unit manager of the Compliance/Audit Division.

(Slide 1)

In this session, we will be giving you a project update along with a reminder of important dates. We will then jump into the vendor file interface, additional information for Open Books reporting, the OTC annual employee reporting requirement, we'll also provide information related to setting up accounts with the OTC, and then go over a checklist of items related to security, processing, and reporting. This is not an all-inclusive list but will assist you in identifying items for your university.

(Slide 2)

At this time, I'm going to turn the session over to Brad Madore, application services director; he will provide us with an update on the separation project. (Script for this section not available.)

(Slide 4)

[Lisa Raihl] On Nov. 3, we will be providing training on tax payments through the OST ACES system, the journal entry in Financials along with AP information. We will again go through this whole procedure and should also have the email address where everything will be sent. The training will be at the Regent's conference room so you can attend in person or video in. This will be from 8:30 am – noon. If you are going to video conference in, please be sure to get the video conference form to Sheri Mauck no later than NOON on Monday, Nov. 2, 2015. The notification with the form was distributed on Monday, Oct. 19, via the notification system.

Nov. 16 we need to have the ACES and Participant Maintenance OST security forms along with the OMES Form 301. The 301 security form for Financials was updated and a notification went out on Oct. 16 with the updated form.

Nov. 30 we need the 301JE security form. This form is available on the designated area of the website.

Dec. 10 is the go-live date. Programming will be in production and institutions can begin processing any 2016 payrolls as needed.

Please send all information to: [Ayana.Wilkins@omes.ok.gov](mailto:Ayana.Wilkins@omes.ok.gov)

(Slide 5)

The following dates relate to the ACA reporting.

December 1st is the due date for submitting test files for the ACA data. This is to just test the file formats that you have created to make sure they are correct before submitting actual data.

By December 7th we will need a file from each institution listing employees requiring a 1095-C form.

By December 11th we will have determined those employees who have reporting obligations from multiple agencies or institutions. We will create a file for each institution that will list employees identified so that you can begin identifying the reporting requirements to send back to us.

By December 18th we need to have files from all the institutions for the multiple agency/institution employees. On that file, we will also need other employees if you'd like for us to complete your form 1095-C printing.

(Slide 6)

January 11th to the 18th of 2016 we expect to complete the printing of all the 1095-C forms we'll be doing. We'll hold them until all year end forms are ready to be distributed.

February 19, 2016 is the deadline for getting us any corrections for forms we printed and for getting us the IRS file for reporting of 1095-C information if you did your own printing of the forms. We also need the employee counts for the authoritative 1094-C by this date from all institutions.

I know some of these dates seem far off but we're keeping them on the list as a reminder of the deadlines.

(Slides 7-21)

Lisa McKeithan, the Development Manager here at OMES is with us today and she will discuss the vendor file interface and OpenBooks additional reporting information. (Script for this section not available.)

(Slide 22)

[Lisa Raihl] Every year, by August 1<sup>st</sup>, OMES provided to the Oklahoma Tax Commission a file of all employees as of July 1<sup>st</sup>. The statute is shown here for reference, its Title 68, section 238.2. This is to ensure state employees are in compliance with personal income tax filing requirements.

(Slide 23)

The OTC currently wants all state employees that are full time employees and make over \$12,000 a year. They do not want part time or student employees. Since we will only be receiving net pay in the 500 Misc files, we will no longer have the information in our system to provide this information to them for you.

The Compliance/Audit Division is aware of the institutions separating from the State's FEIN and representatives are here today if you have any questions. A possible change in statute was being looked at for other reasons and now may need to include additional changes because of the separation. One change was that they were going to ask for the information earlier in the year and possibly have it be W-2 info which they indicated they might want in February. We discussed with them the IRS electronically filing deadline of March 31 and that many times we have changes almost up to the deadline. In order to get accurate information related to the W-2, we recommended they wait until after March 31<sup>st</sup> to have the file due. They will take it into consideration.

(Slide 24)

The file layout is shown on the screen. It includes the agency 3 digit number, the employee's SSN, name and address. Below the layout is an example of the file. I have condensed down the fields for presentation purposes. Anywhere you see the '...' is where the field truly continues further on than shown. For questions relating to the file format or filing requirements, the OTC contact is Darla Nordstrom. Her direct number is 405-521-3124 and her email address is [dnordstrom@tax.ok.gov](mailto:dnordstrom@tax.ok.gov). Currently, I create the file and contact them and they come and pick it up. They will be working on a possible upload through OneLink or OKTap that will be ready by mid-July next year. As more information becomes available, it will be distributed.

(Slide 25)

Yesterday we received information from the Oklahoma Tax Commission for the separation and accounts set up. The OTC primary contact will be Jerry Leonard, Deputy Director of the Taxpayer Services Division. His phone number is 405-521-3242 and his email is [jleonard@tax.ok.gov](mailto:jleonard@tax.ok.gov). They are putting together a letter and informational material packet that will be sent to all institutions that will include a registration packet and list of FAQs. They are asking each institution verify the contact person and the mailing address the packet should be sent to. Please email Jerry Leonard with this information at [jleonard@tax.ok.gov](mailto:jleonard@tax.ok.gov). Also, please have only one person send the contact information to Jerry. The OTC is also looking at

putting their FAQs on the Regents ListServe and possibly on the OMES website. I believe this will be very helpful for you.

(Slides 26 – 29)

Lisa McKeithan has put together a checklist that should be very helpful. She will discuss the next couple of slides. (Script for this section not available.)

[Lisa Raihl] Just a reminder, the list includes many items but should not be taken as an all-inclusive list. Use this as a springboard to identify all tasks required for your institution. Some of you may have all these requirements while others may not, and others still may have additional requirements. Please take and make this list specific to your institution.

(Slide 30)

There's been a change to the contact person for the direct deposit extract when it is ready to be loaded into the OST banking system. This is for those of you who plan on using the OST system to store your employee direct deposit information. To submit the file to us, you will use the current FTP process to place the file on the USS secure server (just like you are FTPing payroll files today). Once it's there, we will need to be notified so the file can be loaded to the OST banking system. When your file is ready to be loaded, please email Ayana Wilkins, and provide the file name and date transferred.

We did not set a deadline for this file but for testing your 500 Misc files on the Treasurer's side, we will need this just as soon as possible if you will be sending in "E" Pay Type entries on the 500 Misc file. As a reminder, a Pay Type of 'E' in the detail record, field position 216, means OST has banking data in their system for the employee and your institution wants OST to use that data to populate the EFT record to the bank. So for testing your 500 Misc file on the Treasurer's side, if you send in 'E' Pay Type entries, we need the direct deposit extract file to complete the testing for your institution.

We'd like to get an idea of those who will be storing employee banking information in the OST system so we can have an idea of the number of files we'll need to load. In the chat window please enter your agency number and "DD Yes" or "DD No" to the question: Will you be sending in a direct deposit file to be loaded into the OST banking system? Please only one answer per institution.

(Slide 31)

One item I'd like to clarify from a previous session, the ACA session back on September 30<sup>th</sup>. The question was asked: If an employee worked for multiple agencies in 2015, who is responsible for offering coverage in 2016? While I was reviewing the FAQs, I realized the answer given did not answer the question, sorry about that.

This is what I have since found out: Any person working for both a higher ed institution and a state agency that met the ACA 30 hour threshold for 2015, was offered benefits and has entered a stability period should continue to receive the benefit until the end of that stability period in 2016. As to who

should pay for that coverage, whoever is currently paying for the benefits should continue to do so. If there is a question of who should pay, the effected agencies/institutions should work this out. One suggestion would be whoever hired the person second and put them over the 30 hour threshold should offer the benefits. Then in 2016, at the end of said stability period, the hours worked for the state and the institutions should be calculated separately as two (or more) separate employers.

If you have any questions after the session today, please email to: [Ayana.Wilkins@omes.ok.gov](mailto:Ayana.Wilkins@omes.ok.gov)

(Slide 32)

Our next get together will be on November 3<sup>rd</sup> for the training session on federal tax payments and going over accounts payable reports and other items. Again, this is at the Regents conference room from 8:30 am – noon.

With holidays coming up, we have to change the webinar dates and times. We are looking at Tuesday November 10<sup>th</sup> from 2:30 to 4 pm and then Monday November 23<sup>rd</sup> from 2 – 5 pm. We will provide project updates and see how the testing is going. The agendas are not developed yet so we can incorporate items as needed especially related to the testing if you let us know in advance anything specific you'd like addressed.