

OFFICE OF STATE FINANCE

DCAR NEWSLETTER

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NEW – Oklahoma Citizens Report

The Office of State Finance is excited to publish the first State of Oklahoma Citizens Report. This report provides understandable information to citizens about the financial condition and performance of state government along with interesting facts about our wonderful state. This report will soon be posted on the OSF website, OSF.OK.gov, so please keep watch for it.

PAYROLL

Higher Education Payroll Conversion to PeopleSoft

The project to convert institutions of higher education from the IBM payroll accounting system to the state's PeopleSoft HCM system is well under way. The conversion to PeopleSoft will allow institutions to continue interfacing data and allow OSF to retire the legacy system. Anticipated completion of the conversion is December 2011. Recently, a questionnaire was sent out asking for information to assist with the setup and the feedback is greatly appreciated. Work is continuing with unit testing and institutions are being notified of their designated conversion dates. The conversion will be completed in groups and kick-off meetings are being scheduled to provide institutions with the necessary information to help make the conversion successful. Institutions will be contacted by the Core HE Lead, Lucille Hicks, who will provide information regarding the kick-off meeting, people who should attend, etc. If questions arise before the kick-off meeting, please contact Lucille Hicks at Lucille.hicks@osf.ok.gov or (405) 521-1731.

W-2 Forms

Please be reminded that W-2 forms cannot be changed for prior years except for social security and Medicare wages and taxes when the agency receives a payback of a prior year overpayment. Taxable wages and income taxes withheld cannot be adjusted.

W-4 Forms

Please remember that if you have received correspondence from the IRS specifying the maximum number of withholding allowances permitted for an employee (commonly referred to as a "lock-in letter") and the employee submits a new W-4 claiming more allowances than the maximum allowed, you must disregard this new W-4 until the IRS notifies you to withhold tax based on the new W-4. However, the employee may furnish a new W-4 that claims less than the maximum allowed and the employer must withhold tax based on that Form W-4.

OSF Forms 94 and 94P, Request for Overpayment Refunds Changes

The OSF Forms 94 and 94P, Request for Overpayment Refunds, have been updated to reflect the change in employee share of social security tax withholding rate (from 6.2% to 4.2%) for 2011. The forms are now available on the OSF website under OSF Forms > DCAR Forms. Agencies should discontinue use of the previous version of the forms and begin using the new forms immediately. Higher education institutions should continue to use the OSF Form 94 and agencies on the State PeopleSoft payroll system should continue to use the OSF Form 94P.

VOBO 2363C Forms to Get Money to Agencies

Agencies with an approved OSF Form 2363, Voluntary Buyout Agency Reimbursement Application, which have subsequently paid the employees, need to complete and submit the OSF Form 2363C, Voluntary Buyout Agency Claim Document, to receive reimbursement of approved expenditures. Please submit all outstanding claim documents just as soon as possible, as these funds expire on June 30, 2011.

For approved VOBO applications pending payment to employees, please submit the claim document within 30 days after payment to employees. For more information, please visit the home page of the OSF website.

Biweekly Payroll Conversion Procedure Reminder

Pursuant to HB 1111, of the 1st session of the 52nd Legislature, 2009, the Office of State Finance in coordination with the Office of Personnel Management has established procedures for converting to the biweekly payroll schedule. As part of the pre-conversion process, interested agencies must first present a financial plan to the Director of State Finance and certify that sufficient funds are available within the agency's existing budget to make the conversion. Interested agencies should contact the OSF Service Desk requesting information on the correct procedures for the conversion. The Service Desk can be contacted at: (405) 521-2444 (local) or HelpDesk@osf.ok.gov.

ACCOUNTING

Verifying Vendor Information for Form 1099M with IRS Records

Agencies are reminded that the IRS penalty for each incorrect 1099 form has increased from \$50 to \$100. To eliminate penalties and reduce future mismatches, OSF will submit the vendor information for ALL agencies from the 2011 first quarter 1099 report to verify Names and TINs through the IRS TIN Matching process. Once we have the results from the IRS we will ask agencies to collect the correct information from the vendors so changes can be made to the vendor file. This will include agencies with data in SetID 00000, and from SetID HECLM. Your immediate cooperation and response will be necessary so we can avoid any future penalty. This process will be repeated periodically during the year.

Interagency Payments

OSF recently announced ways to reduce accounts payable costs, including making interagency (WIR) payments to agencies. OSF will begin establishing state agency vendor locations for the "WIR" method, including possibly directing all locations to point the remittance to a single "WIR" location for all interagency payments. The bank account, a four digit "AGY0" account number where AGY is the agency number, and, the corresponding "WIR" method will populate in the payments page of the voucher, creating an interagency payment to the receiving agency's clearing account. If your agency has a justifiable reason where the receipt of a payment under the "WIR" method is not practicable for you, please provide justification to us.

Agencies uploading vouchers through the Vouchers from Remote Agencies (VFRA) batch load can now use the interagency payment by transmitting an "I" in column 208 in the payee record layout. As long as the receiving agency has a clearing account, the agency will receive an interagency payment regardless of what the payment method is in the vendor file. Please contact Patricia Garcia at patricia.garcia@osf.ok.gov to obtain a list of agencies that are able to receive interagency payments. OSF will begin monitoring interagency payments to identify where the interagency "WIR" payment was not used. We will then contact the paying agencies to determine why this method was not utilized.

Additionally, agencies should not be using the DCS P-Card process when making payments between agencies. Use of the P-Card process does involve banking charges, whereas, the interagency "WIR" procedure does not since it is only an accounting transfer of funds.

Also refer to the article in the September 14, 2010 DCAR newsletter discussing the interagency method and the error messages that may occur when transmitting an interagency payment claim. Should you have any questions regarding this procedure, please contact Steve Wilson at (405) 521-4679 or steve.wilson@osf.ok.gov.

Correction to DCS – Fiscal Year 2011 Deadlines

In the Volume 28, Number 8 DCAR Newsletter dated March 14, 2011, the placement of the TBD was printed incorrectly in the Fiscal Year 2011 Deadlines article. The correct placement is noted and underlined as follows:

It is our expectation that you have renewal requests to the Central Purchasing office 30 days in advance of expiration. If your budgets have not been approved, input the anticipated funding and place TBD (to be determined) in the account field. Once the budgets are approved, update the account code from TBD to the correct account code. The amount field should contain the correct purchase price. If the price needs to be changed, submit another change order to Central Purchasing with the changes that need to be made. Goods or services that are acquired after June 30th from contract/purchase orders that are not renewed prior to expiration will be considered unauthorized purchases and will require a settlement agreement for supplier payment. Orders made prior to expiration but received after are authorized purchases.

If you have questions regarding this notice, please direct them to Steve Hagar at (405) 522-3369 or Steve_Hagar@dcs.state.ok.us.

State Treasurer's Deposit Notifications

Effective May 1, 2011, the State Treasurer's Office will discontinue mailing out the "Lockbox Official Depository Notifications." Agencies will be able to verify their deposits by reviewing their Treasurer Activity Statement and locating the Transaction Types labeled "Lockbox Deposits."

To view your Activity Statement, logon to PeopleSoft, select General Ledger, General Reports, and Treasurer Activity Statement. Detail instructions for accessing your activity statement can be viewed on the Oklahoma State Treasurer's website, treasurer.ok.gov, under Banking > Banking Operations. If you have any questions regarding this process change, please contact Banking Operations at (405) 522-4225. If you require assistance accessing your activity statement, please contact the OSF Service Desk at: (405) 521-2444 (local) or HelpDesk@osf.ok.gov.

TRAINING

Upcoming Local Training/CPE

AGA Luncheon Meeting

The Association of Government Accountants will be meeting from 11:30 a.m.-1 p.m. on Wednesday, April 13 at Ryan's Buffet. Professor Jane Austin with Oklahoma City University will be presenting the training and will talk on what AIS professionals (CPAs) vs AIS professors feel that students need to be learning in an Accounting Information systems classroom.

The cost to attend the meeting cost is \$12, which includes lunch. One hour of CPE is earned by attending and participating. Please RSVP via email to Vonna Anderson at vonna_anderson@sde.state.ok.us.

PeopleSoft HCM Forum

Presented by the CORE HCM Team

There will be 2 identical sessions in purpose and content to accommodate employees' schedules.

Date: April 20, 2011

Times: 9-11 a.m. or 1-3 p.m.

Location: Office of Personnel Management

Jim Thorpe Building

2101 N. Lincoln Blvd.

Oklahoma City, OK 73105

OPM Conference Room 560, 5th floor

The Office of State Finance is hosting the following webinar in Oklahoma City:

2011 Government Auditing Standards: Changes You Need to Know

A NASACT Training Webinar

OVERVIEW

NASACT, in conjunction with the Association of Government Accountants and the Association of Local Government Auditors, is pleased to announce the latest in its series of training events addressing timely issues in government auditing and financial management.

The Government Accountability Office (GAO) is currently revising Government Auditing Standards, the first major revision to the standards since 2007. Final release of the 2011 edition is expected in early summer.

This webinar will highlight the key revisions from the 2007 Yellow Book and the changes and comments received on the 2010 exposure draft. The revisions reflect major developments in the accountability and audit profession and emphasize specific considerations applicable to the government environment, including:

- Revising independence standards and adopting a blended conceptual and rules-based approach to the determination of independence,
- Revising financial audit standards to streamline and converge with the AICPA standards,
- Please join us for this timely and informative training event. In addition to hearing scheduled segments from our speakers, you will be able to ask questions during a live Q&A session. This webinar offers something for all government auditors and comptrollers.

Date: Wednesday, May 4, 2011

Time: 1:00 – 3:00 pm (Registration will begin at 12:30 pm)

Location: Concourse Theater (located in the tunnel between the Will Rogers and the Sequoyah buildings, just north of the State Capitol Building)

Speakers: Marcia Buchanan, Assistant Director, Financial Management and Assurance Team, Government Accountability Office

CPE: Two Credits

Cost: Free if attending the webinar in the Concourse Theater

Learning Objectives: At the conclusion of this webinar, participants will be able to:

1. Identify the major revisions of Government Auditing Standards
2. Understand how the new requirements differ from the previous standards
3. Apply the new Government Auditing Standards in their audits

RSVP: To Susan Perry at susan.perry@osf.ok.gov with your name, agency name and number, phone number and email address. Please specify the May 4 webinar.
