Dr. John D. Barge, State School Superintendent
"Making Education Work for All Georgians"

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MEMORANDUM

TO: PCGenesis System Administrators

FROM: Steven Roache, Senior Information Systems Manager

SUBJECT: **Release 14.04.00 – Calendar Year 2014 Year-End Closing Procedures / Miscellaneous Updates / Installation Instructions**

This document contains the PCGenesis software release overview and installation instructions for *Release 14.04.00*.

PCGenesis supporting documentation is provided at:

http://www.gadoe.org/Technology-Services/PCGenesis/Pages/default.aspx

December, 2014 Payroll Completion Instructions

*Install this release ***after*** completing the December 2014 payroll(s). Install this release ***before*** executing F4 – Calculate Payroll and Update YTD for the January 2015 payroll.*

A New PCGenesis Tech List Has Been Created

The Georgia Department of Education has created a new tech list for PCGenesis. PCGenesis users can join the list by sending a blank e-mail to:

join-pcgenesis@list.doe.k12.ga.us

After joining the PCGenesis tech list, users can take advantage of discussion forums by sending e-mails to:

pcgenesis@list.doe.k12.ga.us

An e-mail sent to pcgenesis@list.doe.k12.ga.us will broadcast the e-mail to all PCGenesis users enrolled in the group. Those PCGenesis districts and RESAs that join the tech list will be able to share ideas, discuss problems, and have many more resources available for gaining insight into PCGenesis operations. Join today!

Contents

Section A: Affordable Health Care Requirements

A1. Letter to Payroll Administrators

Dear Payroll Administrators,

As you are aware, there are reporting requirements related to the Affordable Care Act under Internal Revenue Code Sections 6055 and 6056 that go into effect for calendar year 2015. Employers with 50 or more full-time employees (including full-time equivalent employees) will use **DRAFT** Forms 1094-C and 1095-C (located at www.IRS.gov/draftforms) to report the information required regarding offers of health coverage and enrollment in health coverage for their employees.

One aspect to consider regarding the reporting requirements for **DRAFT** Form 1094-C is how your district will document the hours worked of employees that currently are not offered health insurance. For example, if substitutes are paid based on days worked instead of hours worked, your district will need to consider how those days worked will be converted to hours worked to determine eligibility for health insurance coverage.

Due to the reporting requirements, we recommend using an hourly rate when feasible to capture the activity of various employees. However, if an hourly rate is not practical, please understand that **the local school district will be responsible for converting this activity to meet IRS eligibility reporting requirements**.

For PCGenesis users, our PCGenesis group released instructions on September 30, 2014 for the *Print Balance Sheets (After Updates) Export Option*. These instructions addressed a work around for calculating the <u>hours</u> worked per pay period based on the <u>daily</u> hours worked for various groups of employees. For your convenience these instructions have been included in *Section A2*, and <u>it is very important that you refer to these instructions</u>.

DRAFT Form 1095-C, Part III, requests information for each employee and covered individuals. We at the Georgia Department of Education are requesting information from the State Health Benefit Plan to determine what reports can be provided to meet the covered dependent reporting requirements of **DRAFT** Form 1095-C, Part III. At this time, we do not know how this data will be captured and provided to the districts.

If you provide health insurance outside of the State Health Benefit Plan, please consult with your provider to determine how this information will be captured and reported.

We will provide updates regarding these reporting requirements as information becomes available. If your district has specific questions related to these federal requirements, please contact your school district attorney.

I hope you all have a wonderful holiday season.

Sincerely,
Amy Rowell, CPA CGFM
Georgia Department of Education

Financial Review Division

A2. Print Balance Sheets (After Updates) Export Option

In order to address requirements for the Affordable Care Act, an export option has been added to the *Print Balance Sheets (After Updates)* (F2, F3, F1) process. The export spread sheet will contain the gross pay data including the payroll account number, the process type code, the pay rate, the regular and overtime hours/days, and the regular and overtime gross amounts. The export will also include the hours per day worked by the employee (in case the gross data line represents a <u>daily</u> rate), the employees' hire/rehire date, the payroll class code, location code, and also a dummy column. The dummy column is available to calculate the <u>hours</u> worked, if applicable, by multiplying the regular and/or overtime <u>days</u> field by the number of hours worked per day. With this information, the user will be able to manipulate the spreadsheet in order to provide a third party vendor with the hours worked per week for all employees including substitutes, custodians, etc. This process is necessary because substitutes and custodians and other groups of employees work a variable number of hours per week every week.

<u>**Important:**</u> The information on the *Print Balance Sheets (After Updates)* is available <u>only</u> at the beginning of the payroll cycle. <mark>**Once *Calculate Payroll and Update YTD (Final)* (F2, F3, F4) is complete, the *Print Balance Sheets Export File* option is no longer available**</mark>.

Earnings History does capture fields labeled **Reg Hr** (Regular Hours) and **Ovt Hr** (Overtime Hours). However, these fields on the Earnings History record, by themselves, may not be enough information to reconstruct the actual days or hours an employee was paid. For this reason, Financial Review recommends creating the ***Print Balance Sheets Export File*** during the payroll cycle.

```
 PCG Dist=8991 Rel=14.04.00  12/22/2014  PCW 001  SV C:\DEVSYS  C:\SECOND        WHITE              _|_|X|
Earnings Record for:  89375 - AD2OCK, FR2DDA              Qtr 14-2 Pay Prd 04              EARNINGS
 **  Issued Check  **   999-08-9375  Loc 8014  Class 03  Cert N  Instruc N  Type S  Pen 0  NONE
Federal: Mar Stat S    Exemptions  1   W/H Code 0      Fed Amount/%                        Fed Y
State:   Mar Stat A    Allow M[0] D[00]  W/H Code 0    State Amount/%                       State Y
  Chk Dt 04/30/2014   Chk Bank BK02       Chk No  57365          Pay Sched 10  Chk Type C   GHI N
Trans Dt 00/00/0000   AEIC Ind      AEIC Paymt             Retr svc credit  0               FICA Y
  Reg Hr   4.50      Ovt Hr           HI Gr   360.00  OASDI Gr   360.00              SEC 125 Y
Reg Amt    360.00     Ovt Amt          HI Amt    5.22  OASDI Amt   22.32  Contract
   LTyp PTyp  Tot Gross  FICA Gr   FICA Amt Pens Gr  Pens Amt   GHI Gr  GHI Dist Reas Period End
001  A            80.00     80.00      6.12                                           4/30/2014
002  A            40.00     40.00      3.06                                           4/30/2014
003  A            80.00     80.00      6.12                                           4/30/2014
004  A            40.00     40.00      3.06                                           4/30/2014
005  A            40.00     40.00      3.06                                           4/30/2014
       Totals    360.00    360.00     27.54
       Yr Fnd F Prgm Fnct Objct Fcty B Addt'l    Bank     DD Account      Net Pay      Annuities
ACCT 001 14 100   1011 1000 11300 3050                                         Ded  1  Co
ACCT 002 14 100   1021 1000 11300 3050                                         Ded  2  Co
ACCT 003 14 415   1784 2210 11300 8010
ACCT 004 14 100   1021 1000 11300 3050
ACCT 005 14 100   1051 1000 11300  111
Ded 04  N Ded        Ded        Ded       Ded      Ded       Ded       Ded       Ded
    2.75
Ded      Ded        Ded        Ded       Ded      Ded       Ded       Ded       Ded

Employer paid deductions:  GHI          Pension        Medicare    5.22   OASDI    22.32
Ded      Ded        Ded        Ded       Ded      Ded       Ded       Ded       Ded

 ------------------------------------------------------------------------------------------
 *** Gross Pay    360.00  *** Deductions    30.29  *** Net Pay    329.71  *** NON TAX

ENTER                                                                            14.03.01
```

Section B: Overview of Release

B1. Payroll System

B1.1. 2015 FICA Updates

The FICA tax parameters have been updated for calendar year 2015. This release <u>automatically</u> updates the FICA tax tables into PCGenesis.

The employ<u>ee</u> and employ<u>er</u> tax rates for social security remains unchanged at 6.2%. The social security wage base limit is $118,500. The maximum employ<u>ee</u> and employ<u>er</u> OASDI deduction is $7,347.00.

The Medicare tax rate is 1.45% each for the employee and employer, unchanged from 2014. There is no wage base limit for Medicare tax.

The employ<u>ee</u> Additional Medicare Tax rate remains unchanged at .9% of wages paid to an employee in excess of $200,000. In addition to withholding Medicare tax at 1.45%, an Additional Medicare Tax of 0.9% must also be withheld on wages paid to an employee in excess of $200,000 in a calendar year. Additional Medicare Tax is only imposed on the employ<u>ee</u>. There is no employer share of Additional Medicare Tax.

B1.2. 2015 Federal Income Tax Withholding Updates

The Federal withholding tax tables have been updated for calendar year 2015. Also, the Federal withholding tax exemption amount for 2015 has been increased from $3,950 to $4,000. This release <u>automatically</u> updates the Federal tax tables into PCGenesis.

B1.3. W-2 Electronic File Processing

The W-2 electronic file (W2REPORT) created in the *Print Employees' W-2s & Create File* (F2, F5, F6) procedure has been updated as described in the IRS publication *Specifications for Filing Forms W-2 Electronically (EFW2) for Tax Year 2014*.

The **Location Address** field (positions 274-295) is now required on **RA** Record (Submitter Record). The **Location Address** field can be entered by the user when creating the W-2 electronic file as shown in the screenshot below.   The SSA defines the **Location Address** as the submitter's location address. For example, Attention, Suite, Room Number, etc. are valid entries.

The **Hire Exempt Wages and Tips** field has been removed from the **RO** Employee Record (positions 100-110) and the **RU** Total Record (positions 130-144) and is now shown as spaces. Also the **Advance Earned Income Credit** field has been removed from the **RW** Employee Wage Record (positions 265-275) and the **RT** Total Record (positions 115-129) and is now shown as spaces.

The *Print Employees' W-2s & Create File* (F2, F5, F6) procedure has been updated to allow the W-2 electronic file (W2REPORT) to be created <u>without</u> having to print W-2s. Now, users are presented with three choices: 1) Print forms <u>and</u> create electronic media, 2) Print forms only, or 3) Create electronic media only. This will allow users to create the W-2 electronic file without requiring that the W-2 forms be printed.

B1.4. Calendar Year 2014 W-2 Form Processing

Calendar year 2014 Internal Revenue Service (IRS) W-2 forms have not changed from 2013. The installation of Release 14.04.00 makes the calendar year **2015** W-2 forms available for employees terminating and requesting W-2's for calendar year 2015 (F2, F5, F7).

B1.5. Georgia Department of Labor Electronic Media

PCGenesis has been updated to support the updated Georgia Department of Labor (Ga DOL) file specifications for submitting electronic media (F2, F5, F5). Effective January 1, 2015, the Ga DOL will implement the following changes for employers or service providers who submit quarterly tax and wage reports via magnetic media:

- 3 *1/2* inch floppy diskettes will no longer be accepted as a method for submitting electronic quarterly UI tax and wage reports. The acceptable forms of media are DVD, CD-ROM, and USB Flash Drive.

- The GDOL wage record layout has been discontinued.

- All wage records must be submitted in the **NASWA Y2K** record format.

- Each wage record must contain complete information, including the employee full first and last name and social security number.

- Files submitted that are not in the acceptable format will be rejected. All corrections and resubmissions must be forwarded to GDOL within 15 days of rejection.

The updated electronic media filing specifications are located at:

<div align="center">

http://www.dol.state.ga.us/pdf/forms/dol4606.pdf

</div>

B1.6. AUF Filename Change

PCGenesis has been updated to create the SHBP AUF filename to match the new standards (F2, F5, F3). The AUF filename format should be "AUF_payrolllocation_agencyname_date.txt". PCGenesis creates the agency name from the name field on the *Payroll Identification Record* on the *Tax/Withholding/Control Menu* and removes any spaces in the agency name field. For example, the filename might be created as:

AUF_69912_SMITHCITYBOARDOFEDUCATION_20141208.TXT

B1.7. Update/Display Personnel Data

PCGenesis has been updated so that when an employee is terminated in the *Update/Display Personnel Data* module (F2, F2, F2), the **GHI 1st Day Worked** field and the **GHI Effective Date** field will both be cleared, but the **GHI Final Deduction Date** will remain unchanged. When an employee is rehired, an edit has been added to make sure that if there is a new **GHI Effective Date**, that the **GHI Final Deduction Date** is cleared.

B2. Financial Accounting and Reporting (FAR) System

B2.1. 1099-MISC - Deleted Amount Code 9 for Foreign Tax

The following changes have been made in the *Create 1099 Export File* (F1, F12, F10, F11) procedure as described in *Publication 1220 for 2014, Specifications for Filing Forms 1099 Electronically*:

- Foreign tax paid has been deleted from the Payer "**A**" Record, field position 28-43, Amount Code "**9**".

Amount Indicator "**9**", foreign tax paid, has been removed from the *Display/Update 1099 System Control Data* screen (F1, F12, F10, F13). Also, **Amount Indicator** "**9**" is <u>not</u> a valid entry when entering claims or journal vouchers.

The 2014 1099-MISC form has been updated to delete Box 11 for Foreign Tax Paid.

B2.2. Select/Deselect Payables for Payment - Individual

A problem has been corrected with the *Select/Deselect Payables for Payment - Individual* option. The procedure was not handling the exclusion parameter correctly for the **A/P Balance Account** of **0422**. Now, if an '**X**' is entered, to exclude claims with a fund balance account of **0422**, this option works correctly.

A change was made in release 14.03.01 to the PCGenesis claims file to improve the performance of the *Select/Deselect Payables for Payment - Individual* option. With the application of release 14.03.01, the screen which displays the open and selected payables populates much, much faster. Also, the claims will continue to be sorted by **Vendor Number** and **Sequence Number** as always.

B3. Personnel System

B3.1. Posting Enhanced Substitute Pay and Employee Leave

The *Enhanced Substitute Pay and Employee Leave System* will now display a pop-up warning message during the posting of substitute pay if the substitute being paid has been inactivated or terminated since the entry of the original employee leave data. For example, a substitute may be active when the original leave data is entered. However, if the substitute is subsequently terminated before posting the leave data, the substitute employee will not receive the pay. The *Enhanced Substitute Pay and Employee Leave System* has been enhanced so that the leave posting process pops up a warning message for an inactivated or terminated substitute, indicating that the substitute pay is being updated in *Gross Data* but that the employee will not get a paycheck.

Section C: Installation Instructions for Release 14.04.00 Software

C1. Perform a PCGenesis Full Backup

When the prior evening's backup was successful, and when installing *Release 14.04.00* before performing any work in PCGenesis for the day, proceed to *C2. Install PCGenesis Release.* In addition to its current labeling, also label the prior evening's backup CD/DVD/tape as **"Data Backup Prior to Release 14.04.00"**. Continue to use the backup CD/DVD/tape in the normal backup rotation.

Step	Action
1	**Verify all users are logged out of PCGenesis**.
2	Close *Uspool* at the server.
3	Perform a **PCG Full Backup** to CD or DVD or Tape.
4	When the PCGenesis backup completes, label the backup CD or DVD or tape **"Full System Backup Prior to Release 14.04.00"**.
5	Proceed to *C2. Install PCGenesis Release 14.04.00.*

C2. Install PCGenesis Release 14.04.00

FROM THE PCGENESIS SERVER

Step	Action
1	**Verify all users are logged out of PCGenesis**.
2	Open **Windows® Explorer**.
3	Navigate to the **K:\INSTAL** directory.
4	Verify **PCGUNZIP.EXE**, **RELINSTL.BAT**, and **INSTLPCG** display. *If PCGUNZIP.EXE and RELINSTL.BAT and INSTLPCG do not display, return to the MyGaDOE Web portal, and detach the files from the Web portal again.*
5	Double-click **RELINSTL.BAT** to perform the installation. *A status screen will display showing the release steps as they are completed.*

A screen will display showing the progress of the installation:
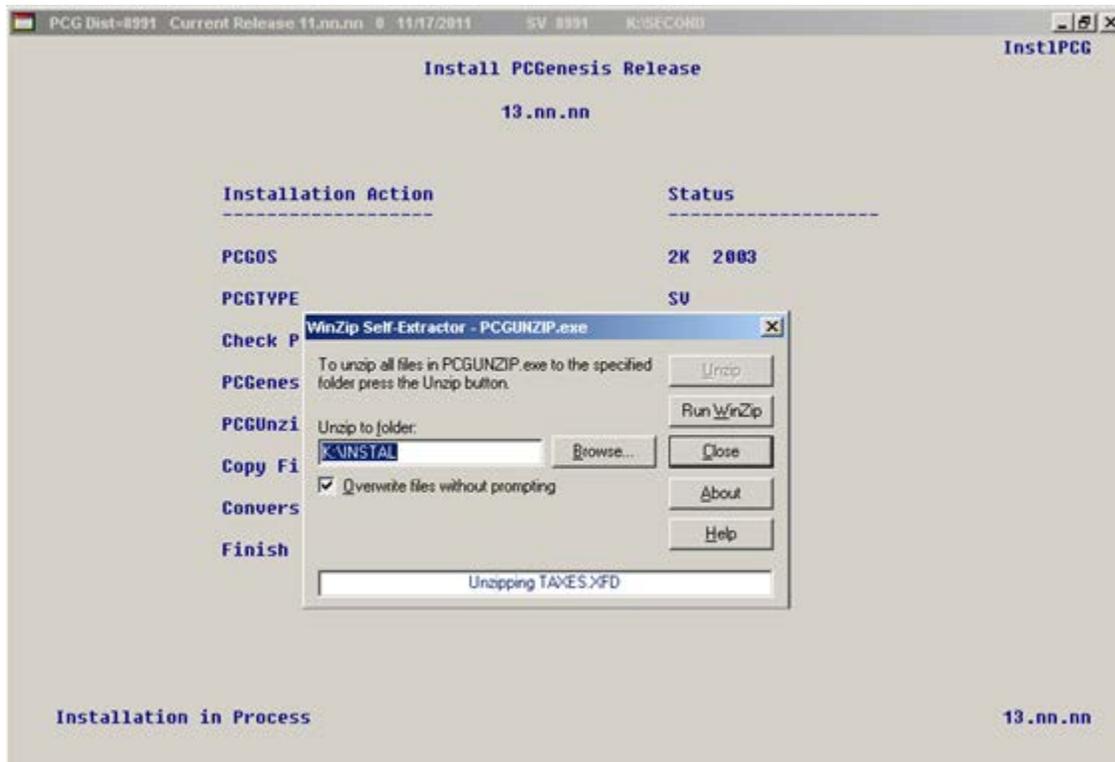
For PCGenesis *Release 14.04.00* successful installations, the following message displays:
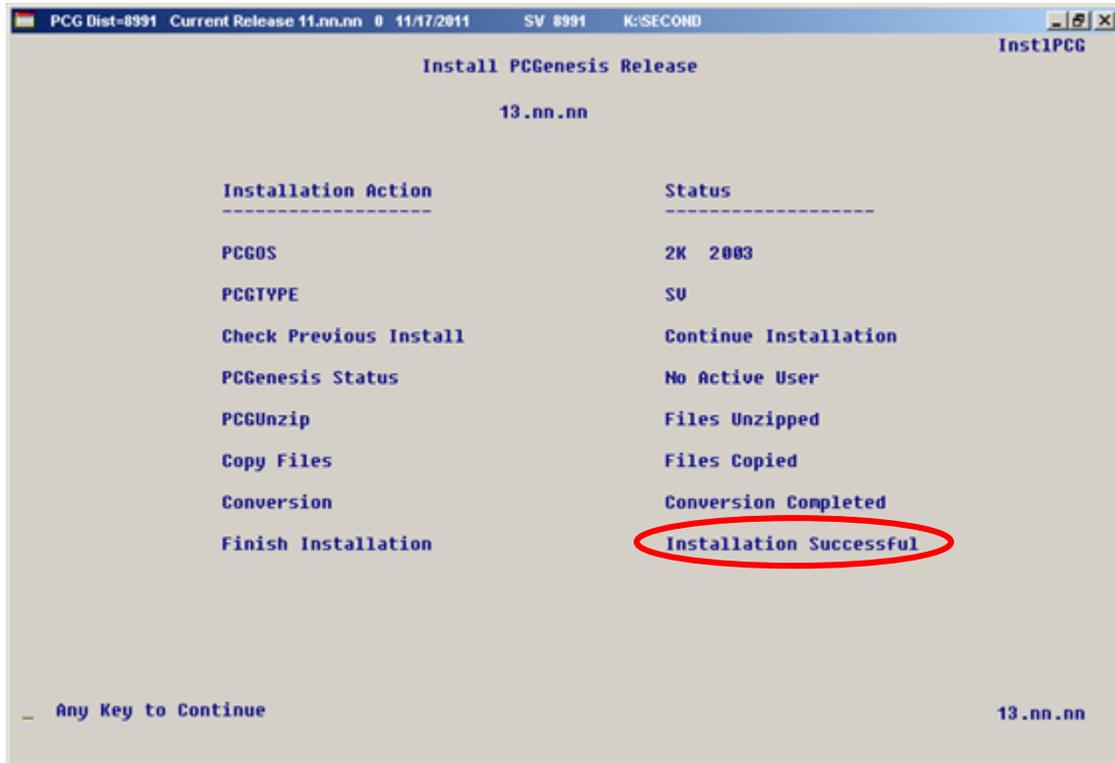
Step	Action
6	Select **Enter** to close the window.
7	**If the installation was successful:** Proceed to C*3. Verify Release 14.04.00 Was Successfully Installed.* **If the installtion was unsuccessful:** Proceed to *Step 8.*

A problem message displays if an error occurred:
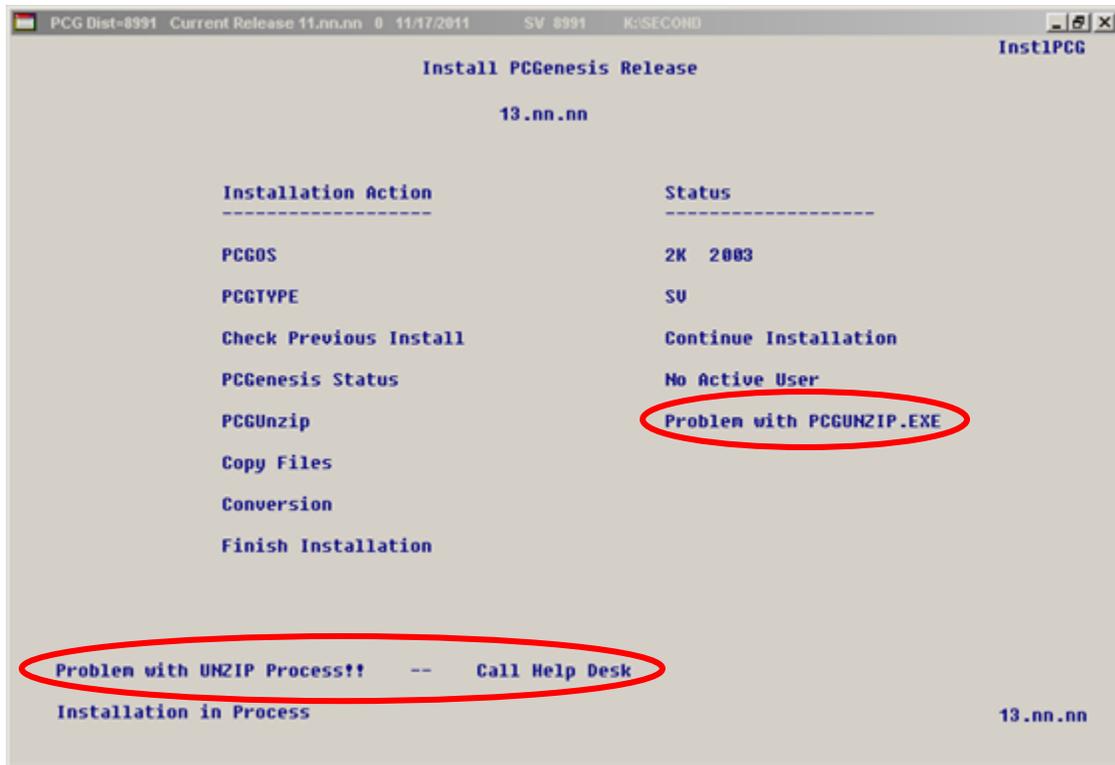
Step	Action
8	Select **F16** to close the window.
9	Return to the *MyGaDOE* Web portal, and detach the files again.
10	*Contact the Technology Management Customer Support Center for additional assistance if needed. A description of the error will display with instructions to call the Help Desk.*

A warning message will display if the release installation is repeated:
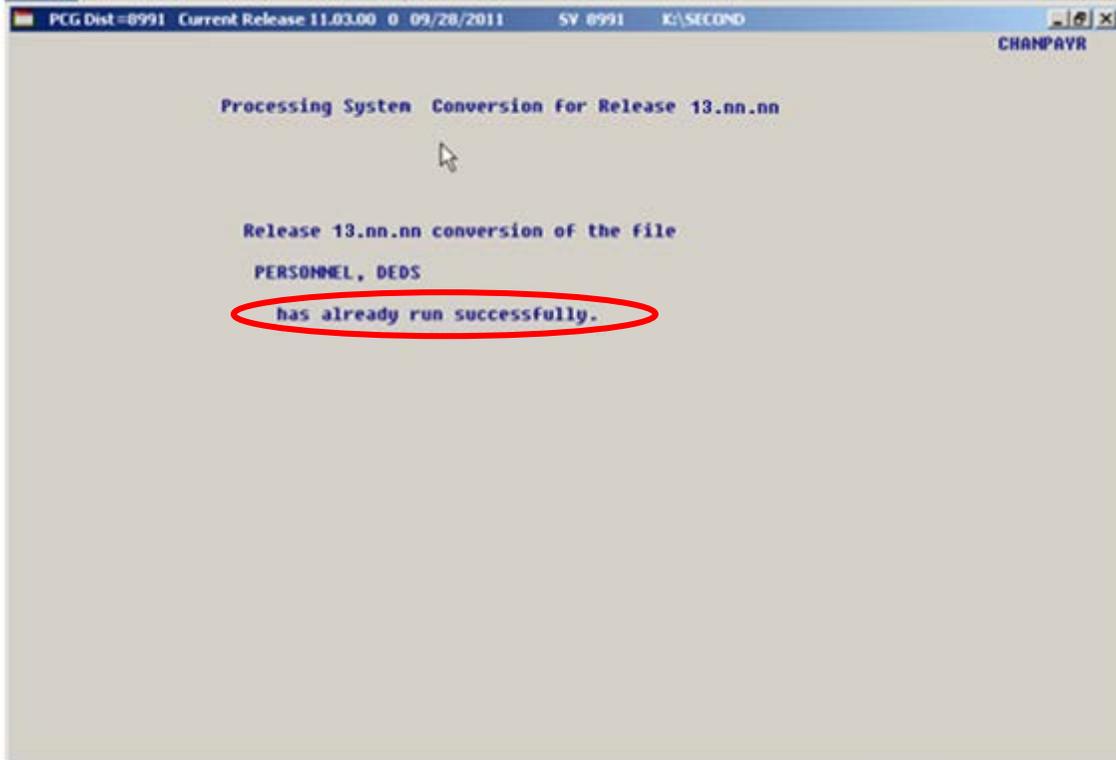
A warning message will display if the release installation is repeated, but in this case, the installation is considered successful. In this instance, select any key to continue:

Step	Action
11	Proceed to *C3. Verify Release 14.04.00 Was Successfully Installed.*

C3. Verify Release 14.04.00 Was Successfully Installed

Step	Action
1	**Log into PCGenesis**.
2	From the *Business Applications Master Menu*, select ☐30☐ (**F30** - System Utilities).
3	From the *System Utilities Menu*, select ☐17☐ (**F17 -** Display Current Release Number).

The following screen displays:

Step	Action
4	Verify **Release 14.04.00** displays.
	*The number of releases and the release installation date displayed may not correspond with the preceding screenshot example. This is acceptable as long as **DOE 14.04.00** displays.*
	If Release 14.04.00 does not display, contact the Technology Management Customer Support Center *for assistance.*
5	Select **Enter**.
6	Log off the PCGenesis server.
7	Verify users remain logged out of PCGenesis.

C4. Perform a PCGenesis Full Backup After Release 14.04.00 is Installed

Step	Action
1	**Verify all users are logged out of PCGenesis**.
2	Close *Uspool* at the server.
3	Perform a **PCG Full Backup** to CD or DVD or Tape.
4	When the PCGenesis backup completes, label the backup CD or DVD or tape **"Full System Backup After Release 14.04.00"**.

Section D: After PCGenesis Release 14.04.00 Has Been Installed

D1. Calendar Year 2014 Year-End Closing Procedures Checklist

✓	Step	Action
Contact the Technology Management Customer Support Center for assistance as needed.		
Refer to the indicated Financial Accounting and Reporting (FAR) and Payroll System Operations Guide topics as needed.		
✓	**Step**	**Action**
AFTER the last Calendar Year 2014 payroll. BEFORE the first Calendar Year 2015 payroll.		
PAYROLL: Section I: Special Functions, Topic 1: Pay Schedule Processing, Procedure A: Add a New Pay Schedule		
	1	Set up the Pay Schedules for the new calendar year. *Do not set up for payroll before performing this procedure.*
PAYROLL: Section I: Special Functions, Topic 3: Tax Tables/Withholding/Control Information Processing, Procedure B: Display/Update Payroll Identification Record		
	2	Change the payroll year in the Payroll Identification record. *Do not set up for payroll before performing this procedure.*
PAYROLL: Section I: Special Functions, Topic 3: Tax Tables/Withholding/Control Information Processing, Procedure A: Display/Update the Payroll Tax and Pension Tables		
	3	Where appropriate, update the Federal Income Tax (FIT) Tables.
	4	Where appropriate, update the FICA/Medicare (OASDI) Tax Table.
	5	Where appropriate, update the Employee's Retirement System (ERS) Table is correct.
	6	Where appropriate, update Public School Employees Retirement System (PSERS)/Teacher Retirement System (TRS) Table.
	7	Where appropriate, update the Group Health Insurance (GHI) Table.
	8	Where appropriate, update the State Income Tax (SIT) Table.
	9	Where appropriate, update the Advance Earned Income Credit (AEIC) Payment Tax Tables.
PAYROLL: Section I: Special Functions, Topic 5: Reset/Recalculate Payroll Amounts Processing		
	10	Reset Employee Calendar Year-to-Date Amounts to Zero (0).

PAYROLL: Section D: Monthly/Quarterly/Annual/Fiscal Report Processing, Topic 3: Processing Annual Reports - W-2 Statement Processing		
	11	Process calendar year 2014 W-2 Statements.
FAR: Section M: Calendar and Fiscal Year-End Processing, Topic 1: Processing 1099 Vendor Information.		
	12	Process calendar year 2014 Form 1099-MISC Statements.