Detailed Design
RELEASE 1161

SERVICE REQUEST 13208
- W2 Reporting

December 22, 1997

Information Systems & Computing
Office of the President
University of California
Introduction

Service Request 13208 asks that modifications be made to the W-2 Reporting Process for the 1997 W-2 reporting year.

It is asked that the following changes be made to the W-2 process:

- The Pension Plan Indicator on the W-2 Extract File should be set to a blank for employees whose Retirement Eligibility Code (EDB 0122) is ‘H’, and the Year-To-Date Safe Harbor Defined Contribution Plan Deduction Amount is zero.

- W-2 Error and Warning Messages Report (PPP6010 – EDB Extract – Error and Warning Messages) changes:
  
The employee’s name (EDB 0105) should be displayed.

  Currently, the PPP6010 report is sequenced by Employee ID order. It is asked that this report be sequenced by Employee Name order.

- W-2 Extract Edit Change:
  
The edit on the Earned Income Credit Amount should be modified to check for a maximum Earned Income Credit Amount of 1326.00.

- W-2 Exception List (PPP6009 W-2 Exception List):
  
  When an employee has a negative deferred compensation balance (total 403(b) contribution amount), an appropriate Exception Error Message should be issued on the PPP6009 report.

  The PPP6009 report should include the displayed Editing Error Messages from the PPP6019 (W-2 Editing Error Conditions List) report.

  The requirements asked that the message numbers be displayed with each Editing Error Message and Exception Error Message. However, these messages are hard-coded in the W-2 report program, and are not from the typical System Messages Table. Therefore, the message numbers will not be displayed.

- The tax reporting year on the W-2 Laser Form should be changed to reporting year of 1997. In addition, the tax reporting year on the W-2 laser form must be printed using a 24 point OCR-A font.
• Data Dictionary entry EDB 5504 changes:

  The Name should be changed from ‘NDIP GROSS-YTD’ to ‘INTEREST GROSS-YTD’, and the Description should be changed to ‘The total gross interest paid during the calendar year’.

• The description text of ‘TX Interest’ should be changed to ‘Interest’ on the appropriate W-2 reports.

• The description text of ‘TX INT===' should be changed to ‘INTEREST=’ on the appropriate reports.

• Control Table Updates

  **System Messages Table**

  The maximum Earned Income Credit amount referenced in message 60-128 should be changed to $1326.00.

  **Data Element Table**

  The Description Element Name for EDB 5504 should be changed to ‘INTEREST YTD’.
Overview

The following modifications will be made to the Payroll/Personnel System (PPS) per Service Request 13208:

- **W-2 Extract Phase**

  1) The fourth selection criterion for determining the value of the Pension Plan Indicator on the W-2 Extract File will be modified.

   The fourth selection criterion will be changed as follows:


  2) An existing edit compares the employee’s YTD EIC (EDB 6099) amount to the EIC Maximum of $1291.00.

   The above edit will be changed to compare the employee’s YTD EIC (EDB 6099) amount to the EIC Maximum of $1326.00.

- **W-2 Report Phase**

  1). All descriptions of ‘\textit{TX INT}===' will be changed to ‘\textit{INTEREST}=' on the PPP6009 and PPP6019 reports.

  2). When an employee has a negative deferred compensation balance, exception error message ‘EMPLOYEE HAS NEGATIVE DEFERRED COMPENSATION BALANCE’ will be issued on the PPP6009 report.

  3). Editing Error Messages displayed on the PPP6019 report will be displayed on the PPP6009 report after the last Exception Error Message is displayed.

   The requirements asked that the message numbers be displayed with each Editing Error Message and Exception Error Message. However, these messages are hard-coded in the W-2 report program, and are not from the typical System Messages Table. Therefore, the message numbers will not be displayed.

- **W-2 Laser Form (See Attachment 1)**

  1) The tax reporting year will be changed to ‘1997’.
2). The tax reporting year on the W-2 Laser Form will be printed using 24 point OCR-A font.

- **Data Dictionary Entry 5504 (See Attachment 2)**

  The Name will be changed from “NDIP GROSS-YTD’ to ‘INTEREST GROSS-YTD’, and the Description will be changed to ‘The total gross interest paid during the calendar year’.
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- **Copy Members Changes**

  CPLNKW2F, CPLNKW2R, CPLNKW2T

  The storage size defined for the Linkage W-2 Totals Accumulators, except for the Totals Counters, will be increased to PIC S9(11)V99 COMP-3.

- **Program Modifications**

  1) PPTAXEDB

     * Currently, the Pension Plan Indicator on the W-2 Extract record is set to a value of ‘P’ if the employee satisfies any of the following selection criteria:

   Total YTD 403(b) Deduction Amount is greater than zero,
   
   OR
   
   Total YTD Safe Harbor Defined Contribution Plan Deduction Amount is greater than zero,
   
   OR
   
   YTD Retirement Gross (EDB 5505) is greater than zero,
   
   OR
   
   Retirement System Code (EDB 0122) is not blank AND is not equal to ‘N’

   The fourth selection criterion will be changed as follows:


     * Currently, an existing edit compares an employee’s YTD EIC amount (EDB 6099) to the EIC Maximum of $1291.00. If the YTD EIC amount exceeds the allowable EIC maximum of 1291.00, message 60-128 *(TAX EXTRACT: EIC OVER MAXIMUM OF $1291.00, REDUCED TO $1291.00)* is issued on the PPP6010 report.

   The above edit will be changed to compare an employee’s YTD EIC amount to the EIC Maximum of $1326.00. If the YTD EIC amount exceeds the allowable EIC maximum of 1326.00, message 60-128 *(TAX EXTRACT: EIC OVER MAXIMUM OF $1326.00, REDUCED TO $1326.00)* will be issued.
Currently, the PPP6010 reporting sequence is in Employee ID order. The employee’s name will be included in the report. In addition, the reporting sequence by Employee ID order will be changed to report by Employee Name order.

2) PPTAXW2

* The description of ‘TX INTEREST’ will be changed to ‘INTEREST’ on the PPP6014 report.

* The storage size of the W-2 Totals Accumulators defined in the Working Storage section will be increased to PICS9(11)V99.

3) PPTAXW2R

* The descriptions of ‘TX INTEREST’ and ‘TX INT===' will be changed to ‘INTEREST’ and ‘INTEREST=’ respectively on the following reports:

PPP6007
PPP6008
PPP6009
PPP6011
PPP6019

* PPP6009 report changes:

Currently, the PPP6009 report (W-2 Exception List) displays the data of all employees for whom no W-2 was produced because one or more Employee Reject level messages (severity level 7) were associated with their W-2 tax reporting data.

An Exception Edit will be added to display message ‘EMPLOYEE HAS NEGATIVE DEFERRED COMPENSATION BALANCE’ if an employee has a negative total 403(b) contribution amount.

After the last Employee Reject level message has been displayed, the W-2 Editing Error Messages (severity level less than 7) from the PPP6019 report will be displayed on the PPP6009 report.

4) PPTAXW2F, PPTAXW2T

* The storage size of the W-2 Totals Accumulators defined in the Working Storage section will be increased to PICS9(11)V99.
5). PPP610

* The description of ‘TX INTEREST’ will be changed to ‘INTEREST’ on the PPP6102 report.

* The storage size of the W-2 Totals Accumulators defined in the Working Storage section will be increased to PICS9(11)V99.
• **JCL Changes**

The JCL for executing PPP600 will be changed. The following DD Names with the associated attributes should be added to the JCL:

DD Name of **REPTOUT** – LRECL = 163, and REFCM = FB

DD Name of **SORTWK01**
• **Overlay Generation Language (OGL)**

**W-2 Laser Form**

Currently, the 11-point font associated with literal ‘Wage and Tax Statement’ will be decreased to a 9-point font to provide space to print the tax reporting year ‘1997’ using a 24-point OCR-A font.
• **Control Table Updates**

1. **System Messages Table**

   The text for message 60-128 (TAX:EXTRACT: EIC OVER MAXIMUM OF $1291, REDUCED TO $1291) will be changed to ‘TAX EXTRACT: EIC OVER MAXIMUM OF $1326, REDUCED TO $1326’.

2. **Data Element Table**

   The Description Element Name for EDB 5504 will be changed to ‘INTEREST YTD’.
• **EDB Data Dictionary Changes**

*Data Element 5504*

The Name will be changed to ‘INTEREST GROSS-YTD’, and the General Description will be changed to ‘The total gross interest paid during the calendar year’ See Attachment 2).
List of Attachments

Attachment 1 - W-2 Laser Form

Attachment 2 - Data Dictionary Entry for EDB 5504