

1099 Reportable Correction (Object Code modification) December 2014

The below process demonstrates how to decrease a reportable object code for situations such as when vendor has reimbursement of payment but CR processed did not reference the vendor. (Note: In future when you are recording a CR for reimbursement, please follow instruction given to ensure automatic reduction of the 1099 reportable income/object code occurs).

This process can be applied to multiple scenario's in which the Department can use the misc vendor in a line group and original vendor in another line group to modify the vendor and object code for 1099 purposes (so net impact is \$0 to accounting side). This decrease process is just one scenario.

Please also ensure that you compare both COFRS and CORE transactions to verify you have not already made the correction in the other system.

First create a JV1STND using **GA01** event type ensuring all cash lines use **posting code A001**. The JV1STND must use two line groups.

For this example, the **Line Group 1** uses the Department miscellaneous vendor code. See screen shot below.

Line Group	Event Type	Posting Pair	Vendor Customer	Legal Name	Debit Total	Credit Total
1	GA01	A	100000	Test Vendor	\$50.00	\$50.00
2	GA01	A	VC0000000020421		\$50.00	\$50.00

Then, the first accounting line that is tied to the Line Group 1 should be setup to Debit expense for reportable object code ie 1330. The second accounting line in this group must be used to debit cash 1100 object code (include reportable object code 1330) to PC A001 as this is how it gets adjusted on 1099 tables. See screen shot below.

Standard Journal Voucher(JV1STND) Dept: [redacted] ID: 2015000000000001111 Ver.: 1 Function: New Phase: Draft Modified by a.lujan, 12/18/2014

Header
 Line Group Total Lines: 2 Line Group: 1 Event Type: GA01 Vendor Customer: [redacted] 100000
 Accounting Total Lines: 2 Accounting Line: 1 Posting Code: D014 Posting Code Name: External Cash Expenditure/Expense

Accounting Line	Posting Code	Posting Code Name	Debit Amount	Credit Amount
1	D014	External Cash Expenditure/Expense	\$50.00	\$0.00
2	A001	Cash	\$0.00	\$50.00

From 1 to 2 Total: 2

General Information Reference Fund Accounting Detail Accounting

Event Type: GA01 Budget FY: []
 Posting Pair: A Fiscal Year: []
 Posting Pair Name: A Period: []
 Posting Code: D014 Bank: 8
 Posting Code Name: External Cash Expenditure/Expense
 Accounting Template: []
 Line Description: []

The **Line Group 2** in this example uses the appropriate vendor that needs to decrease reportable object coding to reduce the 1099 reportable income.

Then the first accounting line that is tied to the Line Group 2 should be setup to Debit cash 1100 object code (include reportable object code ie 1330) to PC A001 as this is how it gets adjusted on 1099 tables. The second accounting line will be setup to credit the expense for reportable object code ie 1330. See screen shot below.

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Header
 Line Group Total Lines: 2 Line Group: 2 Event Type: GA01 Vendor Customer: VC00000000020421
 Accounting Total Lines: 2 Accounting Line: 4 Posting Code: A001 Posting Code Name: Cash

Accounting Line	Posting Code	Posting Code Name	Debit Amount	Credit Amount
3	D014	External Cash Expenditure/Expense	\$0.00	\$50.00
4	A001	Cash	\$50.00	\$0.00

From 1 to 2 Total: 2

General Information Reference Fund Accounting Detail Accounting

Fund: [redacted] Object: 1330 OBSA: []
 Sub Fund: [] Sub Object: [] Sub OBSA: []
 Department: [redacted] Revenue: [] Dept Object: []
 Unit: 2300 Sub Revenue: [] Dept Revenue: []
 Sub Unit: [] BSA: 1100 Internal Fund: []
 Appr Unit: [redacted] Sub BSA: [] Internal Sub Fund: []
 Internal Dept: []

After the nightly cycle runs, you can validate that the vendor reportable amount for the object code is decreased on the InfoAdvantage report.

If the original payment was made to an asset or liability account code but needs to be reclassified to an object code, the original entry will need to be reclassified to the object code expense using another event type i.e. XG19. There is not a need to reference a vendor as this will not impact 1099 process unless the event type uses posting code A001 i.e. GA01.

For any questions related to the 1099 process, please direct them to the Central Management Unit email address: state_centralapproval@state.co.us.