



OKALOOSA COUNTY SCHOOL DISTRICT
TECHNICAL ASSISTANCE MEMORANDUM
FINANCE DEPARTMENT

FINANCE TAM: 2016-022

CONTACT: Cindy Harris, Accountant
Budgeting & Financial Services

TELEPHONE: 833-5821

TO: All School Principals

FROM: Melissa O'Malley, Director - Accounting & Financial Reporting

DATE: December 8, 2015

SUBJECT: 1099 Forms Reporting Information - Internal Accounts

The calendar year is coming to a close, and it is tax time again. Each year the District must send 1099 forms to individuals, partnerships, and unincorporated businesses that have provided a service to our schools.

It is the responsibility of each school to make sure the Accounting & Financial Reporting Department has the information required to send 1099 forms to the applicable vendors. Cindy Harris, Budgeting & Financial Services, will be your contact as she will compile all information for internal accounts. **All information must be submitted to Cindy Harris no later than Friday, January 8, 2016.**

Please refer to the attached 1099 Form Guidelines - Internal Funds for further information. **It is very important that you follow these instructions precisely.** If you have any questions regarding your school's 1099 information, please call Cindy Harris, Accountant, at 833-5821.

cc: Internal Bookkeepers
Director - Budgeting & Financial Services

**School District of Okaloosa County
1099 Form Guidelines – Internal Funds**

Reminder – All information must be submitted to Cindy Harris no later than Friday, January 8, 2016.

A. Please use the following guidelines to determine which of your vendors paid through Internal Funds should receive a Form 1099:

1. Individual, Partnership, and Unincorporated Business (Business-Other)

a. *Schools are required* to send a 1099 to individuals (non-District employees), partnerships, and unincorporated businesses in the following situations:

- 1) The vendor provides a service to the school, or
- 2) The vendor provides a service and includes charges for parts and/or materials. (The 1099 should be for the full amount paid to the vendor.)

b. *Schools are not required* to send a 1099 to individuals (non-District employees), partnerships, and unincorporated businesses in the following situations:

- 1) The school is only purchasing merchandise from the vendor, or
- 2) The vendor is receiving a refund or reimbursement.

2. Corporation (Business-Corp), Government Body (Gov't), Non-Profit Organization (Non-Profit), or Reimbursement (Reimb)

a. *Schools are not required* to send Form 1099s to corporations, government bodies, non-profit organizations, and vendors receiving refunds/reimbursements.

3. District Employee (Employee)

a. *Schools are not required* to send Form 1099s to District employees. District employees should only be receiving checks for Florida Teacher Lead, refunds, or reimbursements.

B. **As soon as all checks have been written for December**, print the “1099 Payments” report (*Reports/Vendors/1099*). Review the report to verify that each vendor’s name, address, and Tax ID number are included. **(Note: Do not wait for your bank statement.)**

C. Any missing/incorrect information for District-Wide Vendors must be sent to Finance by email or fax. Cindy Harris will update these vendors.

- D. Any missing information for School vendors or One-time vendors must be entered into the accounting software by the bookkeeper. She will edit the Vendor Information.
- a. Select *Data Files/Vendor*
 - b. Choose the vendor in the grid
 - c. Update the vendor's name, address, and/or Tax ID number
 - d. Confirm that '1099' is checked
 - e. Click *Update* to save the information
- E. If any vendors required updating, reprint the "1099 Payments" (*Reports/Vendors/1099*). Keep this report for your records.
- F. Please e-mail Cindy Harris to let her know your "1099 Payments" report is ready. She will print the report from her computer. **Your report must be ready for Cindy to print no later than Friday, January 8, 2016.**
- G. Prize Winnings (IRS Form W-2G) – In addition to the 1099 Form, please provide information regarding all payments of \$600.00 or more for "prize winnings" from activities such as "donation drawings, bingo, etc." The necessary information should be entered on IRS Form W-9. IRS Form W-9 may be accessed through a link on the Finance Forms web page under 'Internal Accounts.' Accounting & Financial Reporting will need a copy of Form W-9 along with a copy of the check requisition issuing the payment or the invoices showing the value of the prize, if applicable. **Please provide the Prize Winnings information to Kenn Macdonald no later than Friday, January 8, 2016. Please be sure not to submit prize winnings as 1099 and W-2G.**