MISSISSIPPI MANAGEMENT & REPORTING SYSTEM

Meeting the Management Information Needs for the State of Mississippi

MANAGE CONTRACTS

1. **How do I set up a contract and pay a contract worker for prior year expenses?**

   To pay a contract worker for work completed in a prior fiscal year, even after the lapse period has ended, you will need to set up a new contract for the new FY using the worker's hire date and the Contract Service Type PCW (Prior Year Contract Worker) and end the contract in the new FY. Example: Hire date 6/16/2014 – The start date of the contract would be 6/16/2014 with an ending date of 7/31/2014. The contract worker will have to be hired into a WIN with the hire date and transaction effective date of each equal to the identical date and the expected end date equal to the end of the new FY contract. Purge the old timesheets (for the previous WIN), establish timesheets for the new WIN, and complete and run payroll as it is normally run. Payments will be charged to earnings code 61993 for prior year expenses.

   NOTE: After the contract worker has been PAID for the prior year expense, the worker MUST be separated out of the WIN and the contract terminated.

2. **The system keeps timing out when I am entering my new contract worker contracts or when adding the justification when modifying the contract. What is wrong?**

   Remaining in the contract for a lengthy period of time without pressing the ENTER key may cause the system to timeout, in which case you will have to begin again. Refrain from using the F11 key while you are entering the contract. Use the ENTER key, as instructed in the training workbook, to prevent losing information.

   Once you complete your entries, you should proof the contract before approving. Modify whatever may be needed. Submit the contract for approval when you are satisfied that everything is correct.

3. **How can I determine if the person working for our agency is an Independent Contractor or a Contract Worker?**

   If a vendor or third party withholds the taxes and remits the taxes on the person's behalf, the person is an Independent Contractor and is paid through MAGIC. If the agency is responsible for withholding taxes and is liable for the employer's share of employment taxes, the person will be classified as a Contract Worker. For more information go to Personal Service Contract Review at OPSCR Rules & Regulations. In the last paragraph click on "PDF" and proceed to Appendix B, Independent Contractor/Contract Worker Determination.

4. **I am receiving an error on my preliminary payroll stating the contract amount has been exceeded. What must be done?**

You should modify the contract from the Browse (CW) Contracts by Agency screen; then increase the agreement amount on the Maintain Contract Information screen. When the agreement amount has been increased, increase the personal services amount on the Maintain Contract Year Budget screen, and transmit for approval.

5. **What eligibility sequence number is used for contract workers? For rehired retirees in a contract?**

The eligibility sequence number must be set to 40 for contract workers, and 9 is used for rehired retirees in a WIN.

6. **How do I lower a contract worker's contract to zero?**

First check to see if the contract worker has been paid by going to the Maintain Contain Information Screen (MC MC). Display the contract, and then display the contract Year(s). In the Expenditure Contract YTD$ field verify the amount that has been expended. Then reduce the contract agreement amount to equal the amount that has been expended. If there is no amount in the Expenditure Contract YTD$ field, reduce the amount on the maintain contract year budget screen to one cent (0.01). Reduce the contract agreement amount on the maintain contract information screen to one cent (0.01). Finally, change the origin end date to the current date; this action will expire the contract immediately.

NOTE: When reducing a contract to one cent (0.01) or to the amount that has been expended, be sure to include taxes in the amount to be reduced.

7. **I entered the contract origin start date incorrectly. How do I correct the contract origin start date?**

If the contract origin start date is incorrect and the contract has already been approved, the origin start cannot be corrected. A new contract must be entered. If the contract has not been approved modify the contract and on the maintain contract year budget screen change the expenditure request $ amount to one cent (0.01). Then change the contract agreement amount to one cent (0.01). Also, change the origin end date to the current date.

8. **I entered an incorrect contract worker service type code and I cannot change it to the correct service type code. What should I do?**

If the contract has already been approved and there are no contract expenditures, modify the contract; and on the maintain contract year budget screen change the expenditure request $ amount to .01. Change the contract agreement amount to one cent (0.01); change the origin end date to the current date. Then create a new contract.

9. **When do I use the termination date on a contract?**

The termination date was used in SPAHRS in the past for independent contractors when a vendor breached the contract or did not show up for work. Currently this field is not used since independent contractors are no longer maintained in SPAHRS.

10. How many contract workers can be entered in one contract?

You can enter up to 350 workers in a contract, though MAGIC prefers one person per contract. On the maintain contract personnel/vacancy info screen, enter the number of persons in the contract. Then, on the maintain worker list enter each individual contract worker by social security number. Finally, in the individual or company field enter 'I' for individual.

11. How often are contract workers paid?

All contract workers are paid using a 'K' frequency and are paid on a delayed bi-weekly payroll.

12. I have a contract worker who was overpaid. What must I do to correct the overpayment?

If a contract worker has been overpaid, modify the original timesheet and remove the incorrect regular hours worked (REG) or hours worked (HRWKD) from the timesheet.   Then enter the received check (RCDCK) code on the timesheet, along with the amount of the repayment check received from the worker. An adjustment will be created. However, you must add the adjustment (via PA AP AE) and approve it. In MAGIC be certain to use an XR document to enter the received check from the contract worker.

By following the same instructions above, you may also replace the (REG) hour or hours (HRWKD) with the leave without pay code (ULWOP).

13. When I run a preliminary payroll for contract workers, I get the error message 'Account Distribution Not Found.' What must I do?

Check the start date of the account distribution (MC CW CA). Be sure the account distribution start date begins on the first day of the month (*e.g.*, July 1, YYYY). Next, check the end date of the account distribution. If the end date ends on a date prior to the current pay period, modify the account distribution to extend the end date to cover at least the pay period on the timesheet.

14. I have a contract worker whose hire date is July 1, YYYY. I am receiving the error message, 'Account Distribution Not Found,' but I have created an account distribution for this WIN. Is there something I'm doing wrong?

Account distributions look at the pay period and not the hire date. Since July 1, YYYY, is the beginning of a new fiscal year you *may* need two account distributions, one account distribution for the previous fiscal year (*e.g.,* June 24, YYYY, through June 30, YYYY) and another account distribution for the current fiscal year.

15. I have a contract that has expired, and I need to make modifications. What should I do?

An expired or terminated contract cannot be modified. You will have to start over and enter a new contract. You will also need to hire the contract worker into a new WIN.