

# News From



A Publication for GMS Accounting and Revolving Loan System Clients

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## ***22nd Annual GMS Financial Management Conference***

***April 15-20, 2007 – Las Vegas, Nevada***

Don't forget to mark your calendars and plan to attend the 22nd Annual GMS Financial Management Conference to be held in Las Vegas, Nevada, April 15-20, 2007. As in previous years the conference will be divided into two segments with the regular conference April 15-18 followed by intensives April 19-20.

Enclosed with this newsletter is a brochure with the agenda of all conference sessions, along with registration and reservation forms. Watch for the February issue of News from GMS for a brief description of each session.

### ***Who Attends the GMS Conference?***

If previous years are an indication, we can expect close to 300 participants from GMS client organizations located throughout the country. Attendees include fiscal staff, auditors, revolving loan management staff, Executive Directors, human resource staff and program managers. Many GMS clients view this as annual in-service training for their fiscal personnel and now it is especially important for those that have upgraded to the Windows version of accounting or plan on upgrading during 2007.

From a strictly GMS viewpoint, we wish all GMS clients could attend since the conference is our best way to provide you with the most up-to-date information on using GMS software. Every member of the GMS staff will be at the conference giving you a tremendous opportunity for face-to-face consultation and assistance.

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### ***Welcome New Users***

#### ***Accounting Systems***

***Rebuild NE Florida, Pensacola, FL***

**Miles Anderson, ED**

**Derek Whidden, Asst. Dir**

#### ***Revolving Loan Servicing Systems***

***Prospera Business Network, Bozeman, MT***

**Tracey Jette, ED**

### ***New Chat Room Hours and Log In Policy***

For your convenience, the GMS service chat room is now open from 8:30 am eastern time until 5:00 pm eastern time Monday through Friday. We have expanded our hours by ½ hour in the morning so we are available for those quick chat questions before our office opens at 9:00 am.

In addition, we also have a new policy that you must log in using your first name and your agency number. We had asked for this in the past but have not enforced that rule. However, there are times that we may need to contact you about a conversation, and we have no idea how to do that

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### **Holiday Announcement**

The GMS Offices will be closed Monday, January 15 in honor of Martin Luther King's Birthday. The offices will reopen at 9:00 am on Tuesday, January 16th.

***In This Issue: 2007 Tax Changes...Windows Accounting and RLSS Intensive Sessions...***

unless we know your client number. When you log in, type in your Chat Nickname, such as sara 111. There is no need to put anything in the password field, just connect with your name and agency number in the "Chat Nickname" field. If you have not logged in with this information, you will be asked by the service person monitoring chat to provide that information. We don't wish to inconvenience you, but hope this will help us to serve you better.

We thank you for your cooperation and hope that you enjoy this chat service to resolve your quick, easy questions!

### ***Training on the Windows Accounting Software***

#### ***Annual Conference Intensive***

If you already have or are planning to upgrade to the GMS Windows Accounting Software during the next year or you are a new employee to the agency, this intensive will give you a complete overview of the accounting system. You will see all aspects of the accounting system from the setup files to processing steps and how the GMS accounting integrity has been maintained in the Windows version. All aspects of the books of entry, accounts payable processing, payroll processing, general ledger activities, cost allocation and report generation will be shown. Even though concurrent sessions on certain areas of the Windows Accounting Software will take place during the regular annual conference, this 1 ½ day intensive allows more time to spend on all aspects of the system. It is a great session for agencies that have had staff turnover and did not receive on-site training from the GMS staff.

Since a majority of clients have already upgraded to the Windows version of GMS Accounting and Financial Management System, we will only have one room for this intensive this year.

### ***Training on Windows RLSS***

#### ***Annual Conference Intensive***

This training will benefit anyone considering converting to the Windows GMS-RLSS or that has already converted. This session will cover every aspect of using GMS-RLSS so you can take advantage of all of its features. Among the topics will be setting up new loans, processing loan activity, using database queries, loan reporting and integrating accounting and RLSS. You will learn how to use the Master Query which is a database search that replaces the Ask for Loan Information used in DOS. The Master Query allows the ability to produce reports that include a large variety of data. This is a great way to make sure that your loan policies and procedures are integrated with your RLSS software. This intensive features hands-on training. You will be able to enter new loans, enter and process loan activity and familiarize yourself with all of the functions and proper procedures for running the Windows GMS-RLSS. This will be a great opportunity for RLSS staff!

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#### ***Order Supplements On-Line***

We are requesting that you order supplements on-line at the GMS website at [www.gmsactg.com](http://www.gmsactg.com). It is so much easier when it is documented in writing to make sure the orders get filled and proper licenses sent out to clients.

From the home page menu, select Supplement Orders. Fill in the client/contact information and then choose the supplements you wish to order. After each supplement is selected, click on Add to Order. When you have selected all of the supplements you wish to order, click on Place Order.

There are separate combo boxes for the accounting and RLSS supplements to make it easier for clients to find the ones they want to order.

The combo boxes only include those supplements that are available in the Windows version. If a DOS client would like to order a supplement that was not rewritten in a Windows version, and the name of the supplement is known, click on the menu item labeled "Service Calls, Service Chat and Downloads". Then click on the line that instructs you to place a service call. Fill out the client/contact information and in the subject of the service call, put the supplements that you would like to order.

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**Happy New Year from All of Us at GMS!**

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## ***2007 FICA Maximum Wage Base, EIC & State Taxes Revised***

The 2007 FICA, federal, EIC, and several state tax revisions were posted to the GMS website on December 28, 2006. Windows clients were emailed the instructions for downloading and installing the revisions and DOS Accounting System clients were emailed or faxed notification for downloading and installing the tax revisions. You should be sure to install the revisions after issuing your last payroll for 2006 and before your first payroll in the new year using the instructions you received. If you have not received these instructions, please contact the GMS Maryland office at [service4gms@gmsactg.com](mailto:service4gms@gmsactg.com) or (800) 933-3501.

### ***What Will These Changes Mean For Your Employees?***

- o FICA and Medicare rates continue to be unchanged at 6.2% and 1.45% respectively. There continues to be no limit on wages subject to the Medicare tax while the FICA limit has been increased from \$94,200 to \$97,500. Thus, only higher paid employees will be affected by this change.
- o GMS clients who have employees that qualify for advanced EIC, will see slight changes due to indexing of tax rates.

2007 state tax changes have been made for the following states: Alabama, Maine, Michigan, Minnesota, North Carolina, North Dakota, Nebraska, New Mexico, Oklahoma, Oregon, Utah and Vermont.

All of these tax revisions are located in the revision files on the GMS website. Please follow the instructions that you were given to install these revisions.

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## ***RLSS - IRS FORM 1099-C FOR CANCELLATION OF DEBT***

IRS Revised Procedure 98-35 indicates that some lenders must provide debtors with a 1099-C if there has been a cancellation of debt of more than \$600.00. You must file these forms by January 31 if you are one of the following lenders:

- 1- A financial institution as described in section 581 or 591(a), such as a domestic bank, trust company, building and loan, or savings and loan association;
- 2- A credit union;
- 3- A Federal Government agency including:
  - a-a department

b-an agency

c-a court or court administrative office

d-an instrument in the executive, judicial, or legislative branch of the government

4- One of the following:

a-Federal Deposit Insurance Corporation

b-Resolution Trust Corporation

c-National Credit Union Administration

d-Any military department

e-US Postal Service

f-Postal Rate Commission

Although most RLSS users are not included in the above descriptions, you as a lender have the option of voluntarily submitting 1099-Cs. This can be useful in your collection process related to bad debts.

When your agency has recognized a loan as a bad debt, and charged off the principal balance, you can then submit a 1099-C at the end of the year. Once you have issued a 1099-C to a debtor, you cannot actively pursue collection, but can receive voluntary contributions from the debtor. These forms are easy to complete and can be ordered free of charge from the IRS. Information to be completed on 1099-Cs includes:

1-Debtor's name and address

2-Debtor's Social Security Number, or Federal Identification Number

3-Your agency's name and address

4-Your agency's Federal Identification Number

5-The date the debt was canceled

6-The amount of debt that was canceled

7-A debt description (ex: business loan, housing loan, etc.)

8-If the debt was canceled due to a bankruptcy (yes or no)

Three-part 1099-Cs obtained from IRS are prepared by the lender. The original copy is sent to IRS along with a 1096 Transmittal Form, a copy is retained for your files, and a copy is mailed to the borrower. If the debt was canceled for reasons other than bankruptcy, the amount of the charge off may become taxable income for the debtor, which can in turn become an incentive for repayment.

A note of caution: Reporting charged off loans on 1099-Cs should only be done when all avenues of collection have been exhausted. Because the canceled debt is reported to IRS as potential income, any future recoveries toward that loan must be voluntary.

## Session Highlights

This year again, our main focus will be training on the GMS Windows Accounting and Financial Management System and Windows RLSS. Training will take place during the regular session and also in the intensives to be held immediately after the regular conference. The computer clinic provides for hands-on opportunity which is an excellent opportunity to personally work with any GMS software.

At the 2007 conference, we have again split several of the Windows accounting processing training sessions into two levels - basic for clients who have recently upgraded to Windows or want to learn the basics of the processing function and advanced for clients who are familiar with the basics and want to learn more about troubleshooting and special circumstances.

### Windows Accounting Sessions this Year

- ◆ Accounting Setups, Master Files and Books of Entry
- ◆ A/P Processing - Basics
- ◆ A/P Processing - Advanced
- ◆ Overview of A/P Supplements
- ◆ Payroll Processing - Basics
- ◆ Payroll Processing - Advanced
- ◆ Overview of Payroll Supplements
- ◆ Month End Processing - Basics
- ◆ Month End Processing - Advanced
- ◆ Overview of GL Supplements
- ◆ Report Writer - Basics
- ◆ Report Writer - Advanced
- ◆ Accounts Receivable Processing
- ◆ Fixed Asset Inventory
- ◆ Basics of Year End - Part 1 & Part 2
- ◆ Overview of Year End and Related Supplements
- ◆ Future Software Revisions

### Other Sessions for Accounting System Users - Each session held twice

- ◆ Cost Allocation Options
- ◆ How Financially Fit is Your Organization
- ◆ Q & A with Accounting Staff

### Sessions for RLSS System Users - Sessions held once

- ◆ Intro to Windows RLSS
- ◆ RLSS Reports and Master Query
- ◆ Processing Unusual Loans
- ◆ New RLSS Features and Supplements Part 1 & Part 2

With 4 concurrent sessions scheduled at most times, there is always a topic to choose from that is useful to your organization.

## Computer Clinic

In addition to specific sessions, the Computer Clinic is open throughout the conference giving you an opportunity to test drive any GMS product. GMS staff members are stationed in the Computer Clinic at all times to provide individualized assistance and support. In the Computer Clinic you can experiment and practice as much as you want!

## Intensives

The four post conference Intensives are always well attended. These 1 1/2 day concentrated courses have been refined with years of experience and are in great demand year after year. Choose from any one of these topics:

- ◆ Training on the Windows Accounting Software
- ◆ Year End Procedures/Preparing for Audit
- ◆ Laptop Hands-on with Windows Report Writer
- ◆ Training on Windows RLSS

We hope that we will see you in Las Vegas. For further information on conference activities please feel free to contact Liz Collins, our Annual Conference Coordinator at 800-933-3501, extension 2.

Please make sure to register on-line at [www.gmsactg.com](http://www.gmsactg.com) and to make your hotel room reservations as early as possible. There is a deadline on room rates, after that date, they cannot guarantee room rates. Please refer to the brochure for this date.

### Prepaid Maintenance Saves You Money!

Prepay a year's worth of maintenance fees and save 7.5%. If your fiscal year is getting ready to start, now is the time to contact Sara Drury at (800)933-3501 ext. 3 for further details or to request billing for a whole year.

**We must receive payment by the last working day of the month the bill is received in order for you to receive the discount. If not, the billing will be reverted to the original monthly billing amount..**