



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

7.13.8

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EFFECTIVE DATE

(04-16-2021)

PURPOSE

- (1) This transmits revised IRM 7.13.8, Employee Plans Automated Processing Procedures, EDS Unpostables.

MATERIAL CHANGES

- (1) Internal Controls have been added. IRM 7.13.8.1 has been amended and renamed, Program, Scope and Objectives. Added sections, IRM 7.13.8.1.1, Background; IRM 7.13.8.1.2, Authority; IRM 7.13.8.1.3; Responsibility; and IRM 7.13.8.1.4, Acronyms.
- (2) This IRM is updated to meet the requirements of P.L. 111-274 (H.R. 946), the Plain Writing Act of 2010. The Act provides that writing must be clear, concise, well-organized, and follow other best practices appropriate to the subject or field and intended audience.

EFFECT ON OTHER DOCUMENTS

This supersedes IRM 7.13.8 dated September 04, 2015.

AUDIENCE

Tax Exempt and Government Entities
Employee Plans

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7.13.8
EDS Unpostables

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7.13.8.1
(04-16-2021)
Program Scope and Objectives

- (1) **Purpose:** This IRM provides instructions to correct unpostable transactions on the Employee Plans/Exempt Organizations Determination System (EDS). Employee Plans (EP)/Exempt Organizations (EO) Determinations Processing Unit employees correct unpostable transactions.
- (2) **Audience:** Employee Plans Determinations staff
- (3) **Policy Owner:** Director, Employee Plans
- (4) **Program Owner:** Employee Plans
- (5) **Program Goals:** The goal of EP Determinations is to ensure that plans comply with the tax laws. We do this by reviewing applications for determination and opinion letters, and to protect the public interest by applying the tax law with integrity and fairness.

7.13.8.1.1
(04-16-2021)
Background

- (1) We previously used EDS to process determination letter (DL) applications from their establishment in the system to their closing. However, EP now uses the Tax Exempt Determination System (TEDS) as its primary system. While EP uses TEDS for most of its DL application processing, we continue to close and generate DLs in EDS.
- (2) EDS is a menu-driven system. You can choose functions from a list of available options. When you select a valid option, it displays an input screen or another submenu. When you complete an option, the higher level menu displays so you may select another option or exit EDS.
- (3) EDS unpostables occur when a case is established or closed but the information doesn't transmit correctly to the Employee Plans/Exempt Organizations Applications Control System (EACS). EACS serves as a conduit to Master File (MF). EACS transmits to MF on a weekly posting cycle.
- (4) EP Determinations employees may also encounter unpostable issues when processing determination cases. Employees email open case unpostable issues to *TE/GE-EP/EO Unpostables.
- (5) EP Determinations employees who process determination cases generally resolve open case unpostable issues within 48 hours of receiving an email notification. These employees then email the employee who submitted the open case unpostable issues that the issue was resolved.
- (6) All required actions in this IRM occur in EDS.
- (7) If you have questions about EDS, put in a service request through OS Get Services or contact the Operations Support Customer Assistance Line (Help Desk) at 1-866-743-5748. Ask that your request be assigned to TOPS-EDS.
 - For the first password when inputting the ticket ask for the first password to be reset/unlocked etc. This is not assigned to BU-TE-GE SYS PLANNING (TOPS).
 - If you have issues with the 2nd password in EDS. Put in the ticket: Please assign to BU-TE-GE BUS SYS PLANNING.

7.13 Employee Plans Automated Processing Procedures

7.13.8.1.2 (04-16-2021) Authority

- (1) IRS's authority to issue favorable DLs on the qualified status of pension, profit-sharing, stock bonus, annuity, and employee stock ownership plans under IRC 401, IRC 403(a), IRC 409, and IRC 4975(e)(7) and the status for exemption of any related trusts or custodial accounts under IRC 501(a) is delegated to the Director, Employee Plans, and has been re-delegated to the Director, EP Rulings and Agreements. IRM 1.2.2.8.1.1 (Delegation Order 7-1a).
- (2) Find a complete list of delegation orders and policy statements governing EP Rulings and Agreements at <https://www.irs.gov/privacy-disclosure/delegation-orders-and-policy-statements-by-process>.

7.13.8.1.3 (04-16-2021) Responsibilities

- (1) The Director, EP supervises and is responsible for:
 - a. EP Rulings and Agreements
 - b. EP Examination functions
 - c. EP Program Management Staff
- (2) The Director, EP Examination, supervises and is responsible for:
 - a. EP Examinations
 - b. EP Examinations, Area Managers

7.13.8.1.4 (04-16-2021) Acronyms

- (1) This table lists acronyms used in this IRM.

Acronyms	Definition of Terms
DL	Determination Letter
EACS	Employee Plans/Exempt Organization Applications Control System
EC record	EACS/Master File record
EC tables	EACS/Master File data tables
EIN	Employee Identification Number
EDS	Employee Plans/Exempt Organizations Determination System
EM record	Employee record
EO	Exempt Organizations
EP	Employee Plans
EP-DCSC	Employee Plans Determination Centralized Site in Cincinnati
FFN	File Folder Number
IC tables	Inventory Control tables
KD	Key District
KDO	Key District Office
MF	Master File
MIR	Management Information Reports

Acronyms	Definition of Terms
MIS	Management Information System
OLE format	Online Error format
PCCF	Plan Case Control File
TE/GE	Tax Exempt and Government Entities
TEDS	Tax Exempt Determination System
TOPS	TE/GE Business Operational Program Support
UNP format	Unpostable format

7.13.8.2
(09-02-2015)
**EDS Daily Batch Run
Overview**

- (1) EDS openings (establishments) and closings post to EACS through a daily batch run. After we enter cases and approve their closings, the system automatically updates the EDS MF status to mark the completed records “ready” for the batch run.

Note: A case can be opened and closed in the same day. The MF status (Status 4) instructs the batch to create both an opening transaction and a closing transaction in the same file.

- (2) The marked records are processed through the EDS daily batch run by checking the application’s opening and closing data using specific validity and consistency checks.
 - a. The checks used are the same as those described for each screen item in IRM 7.14.2, Employee Plans EDS User Manual, Data Entry.
 - b. If all of the validity checks for the EDS daily batch run pass, the system generates and writes transaction or case records to a separate file.
- (3) Unpostables can occur in either the EDS daily batch run (EDS unpostables) or in the EACS run (EACS unpostables). The EDS daily batch run should identify all record errors before the file is transmitted to EACS.

Exception: The EDS daily batch run doesn’t identify issues between the zip code and state or between the EIN and Name Controls (OLE). The EACS run detects these issues.

- (4) The EDS batch runs Monday through Friday.
 - a. It does not run on weekends and holidays because EACS is unavailable. EDS generates the EACS file around midnight.
 - b. If EDS Unpostables are found, the results are returned immediately to each case.
 - c. EACS processes the file the next day around 5 p.m. EDS processes the results from EACS before the midnight batch run.
 - d. Each case is updated during this process. Weekend and holiday updates are processed with the next regularly scheduled batch run.

7.13.8.2.1
(09-02-2015)

Reports Overview

- (1) Reports are generated both from the EDS daily batch run and EACS when unpostables occur.
- (2) When EDS unpostables are found during the EDS daily batch run, the system updates the case's MF status field with the applicable unpostable error code (see IRM 7.13.8.4, Master File Codes). The system does NOT send the record to EACS. At the end of the day, the system creates a daily batch report which lists all affected cases and the unpostable error(s) found.
- (3) When EDS daily batch run unpostables are found, the:
 - a. EDS daily batch report lists the affected cases and the error(s).
 - b. System updates the MF status field with the unpostable code.
 - c. Unpostables require an EDS correction.
- (4) EACS updates are run daily, except weekends and holidays. The run generates a report that lists run controls and any errors.
- (5) When the EACS report is available, a program is run against the report to update the MF status with unpostable codes and closings. History records are created for these updates.

7.13.8.3
(09-02-2015)

Correcting EDS Daily Batch Run Unpostables

- (1) To resolve EDS unpostables, review the EDS daily batch run report for a list of unpostable transactions. The report lists the last unpostable code for a case (see Exhibit 7.13.8-1, EDS Batch Run Error Codes). The case history is the only area that lists all the reasons a case did not post.

Note: When a case unposts on EDS, the MF status in the Query/Update Master File screen updates to the unpostable code (or to the last unpostable code found if more than one error).

- (2) Print a report of the outstanding EDS unpostables from the Management Information System (MIS). See IRM 7.14.6, Management Information System (MIS), for instructions.
- (3) Find the correct entry for each unpostable error in the case file or on TEDS. You may call the specialist who closed the case if you can't determine the correct entry from the case file or TEDS.
- (4) Make correction(s) in the Query/Update Master File Screens (Option 1 of the ICS Main Menu).
 - a. For open cases, correct all items using any update option.
 - b. For closed cases, correct all items (except status and hours) using any update option. Use Option 5 to correct status and hours.
 - c. After making corrections for both open and closed cases, enter a "Y," "B," or "D," in the MF code to resend the record to EACS.

7.13.8.3.1
(09-02-2015)

Exceptions

- (1) Correct all unpostable errors through the Query/Update Master File Screen except these unpostable errors:
 - a. Case Number is invalid (000)
 - b. Control Date is invalid (010)
 - c. Area Office or Post of Duty Code is invalid (005)
 - d. Type Request is invalid (013)
 - e. No matching KD record (999)

- f. No matching EC record (998)
- g. Inconsistent Closing Cd and Proposed Closing Cd (055)
- h. Invalid Case Number (Julian Date) (006)
- i. Invalid Form Number (011)
- j. Invalid Form Version Code (012)
- k. Invalid Subsection (017)
- l. Inappropriate Update to Control Date Attempted (023)
- m. Invalid Closing Code (052)
- n. Case Not Approved (053)
- o. Missing Specialist Number (056)
- p. Inconsistent Closing Code and Type Request (166)
- q. Closing Record Missing on PCCF for this Update (986)
- r. Inconsistent KDO Code in FFN, Case Number and District Office Code (992)
- s. No matching EM record (997)

Note: The above errors shouldn't occur if the record has been entered through the DTS and the data hasn't been altered outside of EDS. If they occur, contact TOPS.

- (2) If the error listed is "File Folder Number is invalid" (001), correct the unpostable if the error is in the last digit. If the error is the first two digits, contact TOPS.

7.13.8.4
(09-02-2015)
Master File Codes

- (1) MF codes describe where the EDS record is in relation to EACS. The following is a list of the MF codes and their meanings:

Note: One and two digit MF codes indicate that files were sent without incident (no unpostable error occurred). All four digit MF codes indicate that an unpostable error occurred.

MF Code	Meaning
0000	Opening record waiting to be sent
0001	Opening record sent
0002	Closing record waiting to be sent
0003	Closing record sent
0004	Both opening and closing records waiting to be sent
0010	Not sent (Forms 4461-B, 5310-A and 9999)
0011	Letter generation record - not sent
0012	Update MIR data after closing waiting to be sent
0013	Update MIR data after closing sent
0014	Closing record bypass EIN check
0030	Closing record posted to EACS

MF Code	Meaning
2000-2999	EACS unpostable (when both opening and closing records were sent)
3000-3999	EACS update MIR closing data unpostable
4000-4999	EACS closing unpostable
5000-5999	EACS opening unpostable
6001-6999	EDS unpostables codes for Update MIR data after closing, not sent to EACS
7001-7999	EDS unpostable codes for Opening records when both opening and closing records were sent, not sent to EACS
8001-7999	EDS unpostable codes for closing records, not sent to EACS
9001-9999	EDS unpostable codes for opening records, not sent to EACS

- (2) If the validity checks on the EDS Daily Batch Run find an error, a four digit MF Unpostables code appears. The first digit means one of the following:

First digit of MF Unpostable Code	Represents
2	EACS unpostable when Opening and Closing records were sent simultaneously (or together in the same file)
3	EACS update MIR data after Closing Record Unpostable
4	EACS Closing Record Unpostable
5	EACS Opening Record Unpostable
6	EDS update MIR data after Closing Record Unpostable
7	EDS unpostable when Opening and Closing records were sent simultaneously (or together in the same file)
8	EDS Closing Record Unpostable
9	EDS Opening Record Unpostable

- (3) The last three digits are the unpostable code (see Exhibit 7.13.8-1, EDS Batch Run Error Codes).

Example: An unpostable code of 9092 indicates the State Code is invalid on an opening record. An unpostable code of 8092 indicates the State Code is invalid on a closing record.

- (4) To resend the record to EACS, update the MF code to "Y." The unpostable will:

Update from MF code	To MF code
2XXX	4
3XXX	12
4XXX	2
5XXX	0 (zero)
6XXX	12
7XXX	4
8XXX	2
9XXX	0 (zero)

- (5) After the batch run is complete the MF Code shows that the record has been sent:
- 0 (zero) is updated to 1 after the batch run
 - 2 is updated to 3 after the batch run
 - 4 is updated to 3 after the batch run
 - 12 is updated to 13 after the batch run

7.13.8.5
(09-02-2015)
EACS Run Unpostables

- (1) EDS transaction records are processed through two programs named EDS01 and EDS03:
- EDS01 screens the records to see if they were sent to the correct place and determine if there are duplicate case numbers.
 - EDS03 performs the validity and consistency checks for EP records.
- (2) Records that successfully process through the programs are marked to update to EP/BMF based on the weekly posting cycles (usually Fridays).

7.13.8.5.1
(09-02-2015)
EACS Run Reports

- (1) The EACS run report is generated Monday through Friday. The report lists run controls (total number of records) for number of records:
- Sent to EACS
 - Added (established), closed and updated (MIR data updated)
 - Unpostable
- (2) The run report prints each case number EACS accepted. Accepted cases plus unpostable cases should equal the total records sent.

7.13.8.5.2
(09-02-2015)
Message Lines on EACS Run Reports

- (1) Run reports include message lines with invalid or inconsistent items. The nightly batch run reads the message lines to update the MF status with the unpostable code.
- (2) UNP and OLE lines print in the nightly batch run report in the following formats.

Example: UNPI315432000EPIPCPI100I315123456I001
 UNPI315001000EOIPAOI100I311234567I000
 OLEI311500101EOI319500100ITHEFI FELLOWSHIP OF NICE PEOPLE

- (3) If the nightly batch can't update an EDS record, the batch report prints a message line. Contact TOPS to resolve the record problem. After they fix the record, you can resolve the unpostable.
- (4) Unpostable codes 990 and 993 won't update the MF Code. The quantities of these unpostables are indicated on the nightly batch report.

7.13.8.6
 (09-02-2015)
**Run Control
 Comparisons**

- (1) After the nightly batch run has been processed, it generates a report listing the unpostables in a more readable format and run control information of the EDS database updates.
- (2) The report heading lists:
 - The run report date
 - The run report file name
 - The transaction file processing date
 - The transaction file creation date
- (3) Compare dates to ensure the service center has processed every transaction file the EP-DCSC has sent. EDS batches are run daily. There should be report listing dates of the transaction files for every day of the week. If this doesn't happen, contact TOPS at: <http://erc.web.irs.gov/default.asp?SEID=tabsr>. The sooner we identify problems, the easier it is for ISD to fix them.
- (4) See the unpostable section and OLE section of the run reports printed on separate pages.
- (5) Use the report's Totals section to monitor updates to the EDS database:
 - a. Total Openings or Closings sent twice: A high number could indicate records are being resent to EACS; contact TOPS for assistance.
 - b. Records Not Updated Due to IC Status 30: If > 0, generally indicates the run report was put through the program more than once; contact TOPS for assistance.
- (6) Compare whether all records were processed from each transaction file. The following items should equal the total on the report:
 - EP and EO Nightly Batch Run: Total Transactions Generated
 - CSPC Run Report: Individual File Number Totals - Number EO Records Read and Number EP Records Read
 - EP and EO EACS Run Report: Total Records Input

Note: If they don't match, review the run report for unpostables that aren't in the UNP format and add to the Total Records Input. If still unequal, contact TOPS.

- (7) The remaining items in the TOTALS section are informational. The total of these four lines in each of the IC and AH columns should equal the Total Records Input.

Report Item	Description
Records Unmatched	Total records where the program could not find the case number in the database. These cases are listed in the EACS-EDS Errors Section.
Records Not Updated	Total number of records that were on the report where no update was done to the database. These are generally records openings and update after closings. These records do not update the MF status (IC table). If the same file was run more than once through the programming this number would also include the total records found where the MF status was already a 30.
Records Updated/ Added	Total records where the MF status (IC table) is updated because of a closing or an unpostable or when an action history (AH table) record is added. Action history records are added when the MF status is changed and for all openings and update after closings.
Database Failures	Total number of records where the database could not be updated because a record is being used by another login. This would not generally happen since the batches are run when no one else is on the system.

7.13.8.7
(09-02-2015)
**Correcting EACS
Unpostables**

- (1) To resolve EACS unpostables:
 - a. Research INOLES, TEDS and/or the case file for correct data.
 - b. Update the information on EDS.
 - c. Resend the record to EACS, see 3 below.
- (2) You can find the correct entry for each unpostable error in INOLES, the case file or on TEDS. If you still can't determine the correct entry, ask the specialist who closed the case.
- (3) Use Option 1 of the ICS Main Menu on the EDS system to make correction(s) in the Query/Update Master Record and Status screen. See IRM 7.14.5, Inventory Control Subsystem, Exhibit 7.14.5-3 for more information.
 - a. Correct all errors, then enter a "Y", "B", or "D" in the MF item to re-send the record to EACS.
 - b. Enter a "B" when both the opening and closing record should be sent to EACS.
 - c. Enter a "D" when the unpostable is N985.
- (4) When entering a "Y" or "B", or "D" use the appropriate function key ("Yes, Send") to verify the record should be sent to EACS. MF codes will update as:
 - MF 5XXX and 9XXX update to 0 (zero).
 - MF 4XXX and 8XXX update to 2.
 - MF 2XXX and 7XXX update to 4.

- MF 3XXX and 6XXXX update to 12.

(5) After the nightly batch run, the MF code will update to show the record was sent.

7.13.8.8
(09-02-2015)

**EACS Most Common
Errors**

- (1) Error code 014 is the most common error for invalid benefit type. Correct the record by the correcting the benefit type in EDS.
- (2) Error code 994 indicates a closing record is sent before an opening unpostable is corrected. Correct the record by entering a "B" in the MF code.
- (3) Error code 100 and OLE error 996 indicate zip code and OLE errors. Correct the record by the correcting the zip code or name control brackets. Enter a "Y" in the MF code to resend the record.
- (4) See Exhibit 7.13.8-1, EDS Batch Run Error Codes, for a listing of error code descriptions.

Exhibit 7.13.8-1 (07-16-2013)
EDS Batch Run Error Codes

This exhibit list the last three digits of the error codes. See IRM 7.13.8.4 paragraph (2) for an explanation of the first digit of the error codes.

Unpostable Error Codes	Error Messages
000	Invalid Case Number
001	Invalid File Folder Number
002	Invalid EIN
003	Invalid Plan Number
004	Invalid Name Control
005	Invalid District Code
006	Invalid Case Number (Julian Date)
007	Invalid Case Number
008	Too many AH Event 10 Records
010	Invalid Control Date
011	Invalid Form Number
012	Invalid Form Version Code
013	Invalid Type of Determination Request
014	Invalid Benefit Type
015	Invalid Total Participants
016	Invalid Plan Year Ends
017	Invalid Subsection
019	Invalid District of Location Code
021	This Form not sent to Master File
022	Invalid KDO
023	Inappropriate Update to Control Date Attempted
040	Correction Disposal Record, contact TOPS by submitting a Help Desk ticket.
050	Invalid Employee Grade
051	Missing Employee Grade
052	Invalid Closing Code
053	Case Not Approved
054	Missing Specialist Hours
055	Inconsistent Closing Cd and Proposed Closing Cd

Exhibit 7.13.8-1 (Cont. 1) (07-16-2013)**EDS Batch Run Error Codes**

Unpostable Error Codes	Error Messages
056	Missing Specialist Number
057	Invalid Case Grade
058	Missing Case Grade
059	Missing Plan Number
060	Invalid Law Indicator
061	Missing Law Indicator
062	Invalid Plan Effective Date
063	Invalid Plan Vesting
064	Missing Plan Vesting
065	Inconsistent Plan Vesting and Form Number
066	Missing Plan Participants
067	Inconsistent Form Number and Plan Participants
068	Missing Plan Effective Date
069	Inconsistent Form Number and Plan Effective Date
070	Missing Plan Year Ends
071	Inconsistent Form Number and Plan Year Ends
072	Invalid Case Grade Source
080	Invalid 1st line of Name of Plan Sponsor
081	Invalid 2nd line of Name of Plan Sponsor
085	Invalid In Care of Name
087	Invalid 1st line of Plan Name
088	Invalid 2nd line of Plan Name
089	Inconsistent Zip Code and State Code
090	Invalid Address
091	Invalid City
092	Invalid State Code
093	Invalid Zip Code
094	Invalid Foreign Address
095	Invalid Foreign City
096	Invalid Foreign Country

Exhibit 7.13.8-1 (Cont. 2) (07-16-2013)
EDS Batch Run Error Codes

Unpostable Error Codes	Error Messages
100	Zip Code not Valid for this State Code
128	Invalid Affiliation Code
161	Inconsistent District of Location and State Code
162	Dummy EIN Must be Updated
163	Missing Reviewer Number
164	Missing Reviewer Hours
166	Inconsistent Closing Code and Type Request
179	Determination Code must be Blank
190	Missing Reviewer Number and Reviewer Total Hours
984	Record Error with Foreign Address, contact TOPS by submitting a Help Desk ticket.
985	EIN Not in Service Center's Valid Range - Verify (If Correct, enter "D" in the MF Code.)
986	Closing Record Missing on PCCF for this Update
987	Update After Closing Error, contact TOPS by submitting a Help Desk ticket.
988	Inconsistent Form No and Form 5309 Ind or 40K Ind
990	Closing Record sent a second time (no action necessary if closing code matches the service center, check PLINF)
991	Tape Error, contact TOPS by submitting a Help Desk ticket.
992	Inconsistent Key District Office Code in FFN, Case Number and District Office Code
993	Opening Record sent a Second Time (no action necessary)
994	Opening Record missing (Enter a "B" to send both an opening and a closing record)
995	Record Error with MF Code, Submit Help Desk ticket
996	Mismatch on Name Control and EIN (OLE)
997	No matching EM record
998	No matching EC record
999	No matching KD record

Exhibit 7.13.8-2 (07-16-2013)**Definitions**

Term	Definition
Opening Record	The opening or establishment record is transmitted to EACS after an application is entered in the Data Transcription Subsystem (DTS) or created in TEDS. Transmitting an opening record allows service center employees research capability with the command codes PLINQ and PLINF. These records are sometimes referred to as PAO records in the run reports.
Closing Record	The closing record transmits to EACS after a case is closed and approved through the EDS Case Approval Screen. This record closes off the opening record. These records are sometimes referred to as PCO records in the run reports.
Update MIR Record	Option 5 in the Query/Update Master File screen allows MIR items to be updated. An update record can be sent to EACS after the record has been closed and MIR items have been updated. These records are sometimes referred to as PUO records in the run reports.
EC and IC Records	A "case" is stored in a number of tables in the EDS database. For a case to be viewed in the Update Master File screen it must have a record (with the same case number) in each of the EC (EACS/MF data) and IC (Inventory Control) tables. The record contains entity information, such as name, address, form number, etc. The EC record contains case information, such as subsection, status, etc. The IC record contains the MF indicator and the date.
PCCF	The Plan Case Control File (PCCF) is the name of the database used for EACS system. The PCCF is the holding area until transactions can be sent to Master File.