Gip1p is a regulatory protein for the Glc7p type-1 protein phosphatase, and is required for normal localization of Glc7p during meiosis. The Gip1p-Glc7p phosphatase complex regulates septin organization and spore wall formation. GIP1 is also required for the expression of some late meiotic genes, including DIT1 and SPS100. GIP1 is transcribed in an Ime1p-dependent manner during meiosis, at which time Gip1p and Glc7p colocalize with the septins in structures underlying the growing prospore membranes. gip1 haploid null mutants are viable, but homozygous diploid null mutants are unable to sporulate. Meiotic progression is normal in gip1 nulls, but Glc7p and septins display abnormal localization, and spore wall assembly is compromised.