

**STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
MARCH 2006**

Date: April 10, 2006

To: All Civil Service/Exempt Departments

From: State Controller's Office
Pam Keegan, Manager
Cynthia Rounds, Manager
Personnel/Payroll Operations
(916) 323-2539/324-6290

Re: PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES

This recaps the March 09, 2006 Personnel/Payroll Committee (PPRC) Meeting and provides information for the May 11, 2006 meeting.

We would like to thank those department representatives that participated in the March meeting for their time and effort. There were 42 representatives from 26 departments that participated in this meeting.

Personnel/Payroll Review Committee
March 09, 2006 Meeting Notes

Cynthia Rounds called the meeting to order at 1:30.

Departments Represented:

Aging, Air Resources Board, California Integrated Waste Management, California Highway Patrol, Community Services and Development, Consumer Affairs, Corporations, Department of Finance, Employment Development Department, Environmental Health Hazard, Financial Institutions, Food and Ag, Franchise Tax Board, General Services, Inspector General, Managed Care, Mental Health, Motor Vehicles, Office of Systems Integration, Parks and Rec., Peace Officer's Standards and Training, Personnel Administration, Rehabilitation, Secretary of State, State Controllers Office, and Veteran Affairs.

Old Business:

None

New Business:

Agenda Items
Distribute Handout Materials
Approve Prior Meeting Notes
Guest Speakers
SCO Update
Department Issues/Concerns
Confirm Next Meeting Agenda, Time and Place

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Discussion:

Approved January 2006 meeting notes.

Guest Speaker:

Vicki Korach, Manager SCO's Program Management Analysis Bureau (PMAB), Lynn Black, PMAB, Lynn Mize, EDD and Clarice Pace, DPA asked for questions from the group regarding SDI and the implementation of benefits beginning April 1, 2006.

Question: If an employee is on a leave of absence for maternity, exhausts SDI and then elects to continue on Paid Family Leave (PFL); can the employee have multiple S50 trans indicating changes in type of leave based on one leave of absence request letter? Do they need an A03 trans between the SDI and PFL? Also, we need to have direction on use of leave while on PFL. Can an A03 be posted between the S50s?

Answer: DPA will address in a forthcoming PML. The PML will include samples and a sample letter. The PML should be released in two weeks or so.

The PML will have information; a sample letter to give to the employees and a cheat sheet for employees/employers of the items they should cover in preparing for SDI. Clarice will attend the Transactions Supervisors Forum to provide a draft of the PML.

Question: If the employee is currently on NDI what happens on April 1?

Answer: EDD will notify NDI claimants whose claim goes beyond 3/31. The notice will contain an SDI claim form and completion instructions. Notices will be mailed next week.

Question: My employee has been on NDI for 6 months, she will not have earnings to qualify for SDI. What happens in this case?

Answer: DPA will address this along with other outstanding issues before the end of March.

EDD has SDI policy and eligibility responsibility. Some items are discretionary for the department.

Question: We have been told that we will not be notified when an employee applies for SDI. How will we know that our employee is getting benefits?

Answer: EDD will be instructing employees that they must notify their employer when they file for SDI. In the normal course of business, state employees are required to call in if they are unable to come to work. At that time they should be telling you that they will be off work for an extended period and will be filing for SDI.

Question: State employees' Health and Dental benefits are being covered for what period?

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Answer: The state employee will be eligible to have benefit coverage for the first 12 weeks of FMLA. If that corresponds with the first 12 weeks of SDI then that is the period of benefit coverage under SDI. After that time the employees will need to provide for their own benefits.

Question: Will the expiration of the 12 weeks of benefit coverage be viewed as a permitting event for an employee's spouse to pick up the benefits?

Answer: DPA will address this prior to April 1, 2006

Pat Quinn, Manager 21st Century Project; I want you to leave today's meeting with one key message that the 21st Century Project is for REAL. The project is moving forward, we have selected a software product (SAP), and within a few days we will be sign the "letter of intent " to award the contract for a System Integrator (Bearing Point).

In fact, today is our last day at 300 Capitol Mall, we have outgrown our current space, acquired space in West Sacramento and we are packing our boxes to move. This represents a significant investment and commitment to moving forward with the project.

This summer we will be starting the blue printing and design phases. It will be critical that departments participate and provide input into the system design. We will also recruit staff into the project that have experience essential to the benefit of the state in development of the new functionality. Employment opportunities in business, technical and organizational change management areas are available. You can view available positions on the 21st Century Project website. Please visit us at www.21stCentury.ca.gov.

Dave Edwards, Manager SCO's Customer Support Section: Intermittent tracking, Phase 1, is now available for those departments using the Leave Accounting System. We encourage you to use it to track time towards a SISA, MSA, Range Change, Retirement eligibility, etc. I brought copies of Leave Accounting letter 06-004 if you want a copy of it. This letter explains how the CLAS enhancements can help you track Intermittent time towards an MSA, SISA, Health and Dental eligibility, etc. This letter can be found on our website at <http://www.sco.ca.gov/ppsd/scoltrs/clas/2006/index.shtml>

There will be some MIRS reports related to the new CLAS enhancements available soon. Phase 2 is scheduled for release in late summer of 2006.

Question: Will this system be able to track roll code 4, semi-monthly employees?

Answer: Yes.

Statewide Training: We did a needs assessment and received 1,374 requests for training. Unfortunately, we are only able to accommodate 540 of these due to the loss of a trainer (corrective actions, PAR documentation, and EH overview). We are in the interview process right now to replace this trainer. It will take two to three months to get the new person on board and ready to train on those three programs. We are trying to get Doris Meekins back as a retired annuitant to help out and hope to offer

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these three classes during the summer. Hopefully by the winter semester we will be back up to full staffing needs.

Question: I have a real problem with the 8:00 am needs assessment calls. I sit with my finger poised ready to speed dial and I still am not able to get training for my employee. What can I do? Can you establish a waiting list for those of us who miss the early morning availability but did call at 8:00 am?

Answer: If you have a special, urgent need to have training for a specialist, you can speak to the trainer and see if there is something they can do, like a one on one consultation. We have tried waiting lists in the past and they were not very successful. We will consider that again along with other ideas for improving the registration process.

You can find the telephone numbers for the Statewide trainers on our website. You will find our page at <http://www.sco.ca.gov/ppsd/stwidetrain/index.shtml>.

SCO Update:

Cynthia Rounds addressed the following:

Personnel Operations Telephone Liaison: In response to the 2005 Customer Survey, our Personnel Liaison Unit will have two full time staff available to assist you with PAR documentation inquiries. It will no longer be necessary to call a specific specialist based on an employee's SSN. Effective April 3, 2006, you may call the Personnel Liaison Unit at (916) 322-6500. Changes to the PAM and CPOD are forthcoming.

Faxed PARS: When faxing a PAR, be sure that you are including a contact person's name and phone number in case we need to call for corrections. Also, please make sure your faxed document is as clear as possible. If they are reduced prior to being faxed, we may not be able to read them at our end.

Position Control: The Probable Vacant Position report will be sent out at the end of March. You can also access the report via View Direct.

Direct Deposit: Should your employees have any questions regarding our direct deposit program, please have them go to the Direct Deposit "Frequently Asked Questions" on our web site located at:
<http://www.sco.ca.gov/ppsd/empinfo/payday/faq/index.shtml>

IDLS Calculator: We have been working to update the IDLS calculator and anticipate the new version will be posted in a couple of weeks.

Question: When do we need to have 607s in to save positions for the current Fiscal Year?

Answer: These should all be in by the June 15th. Also, be sure you are working your Periodic Position Control listings. It will save you a lot of time if all those temporary issues are cleared up each month.

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Pam Keegan addressed the following:

New Accounts Receivable process: How is the new AR process working where we establish an agency collection AR for those PAR-related overpayments when we previously sent a notice of pending account receivable? Everyone was OK with the new process.

AR Project: We have approximately 8500 of the old tickler file cards from the pending ARs identified via PR250m. Staff will be working all these over the next several months. Hopefully, the majority will have been resolved by a PAR correction, redeposit or some other action. If the situation has not been resolved but it is more than 3 years old, we will send a special PR250 inquiring if the employee was notified within the three years.

Duplicate W-2 forms: This has been a rough year for our W-2 unit. We are releasing several hundred duplicates each week. We are getting lots of W-2 related calls. So far this month, we received 200 incoming calls and made 197 outgoing calls. Please assist your employees as much as you can in completing the necessary request forms. We have produced 2598 duplicates since January 2006. We only processed 2518 in all of 2005. If you had the W-2 returned to you by the post office, please let your employee know as soon as you can.

Personnel/Payroll letters: A lot of the calls to the phone liaisons could be avoided if the Payroll and Personnel letters were read. We post these on our website so that they are available to everyone. Please share them with any staff that does not have Internet capability. The information in the letters is very important and will provide advance knowledge of changing situations.

Fax: Please review the FAX acceptance criteria in the PPM. We are getting a lot of Faxed documents that do not fit the established criteria. Unless you have an urgent situation **and have called a supervisor to make arrangements**, only certain items are accepted via FAX. This information is in section A -14 in the PPM.

Don Ward discussed plans for developing and implementing a Quality Assurance Unit. By the end of the year, we anticipate implementing a unit that will be charged with identifying and fixing various personnel and payroll transaction errors. Annually, over 10 million personnel and payroll related transactions are processed through the Employment History and Payroll systems. These transactions result from PARs, EARs, PIP, Benefit Enrollments, magnetic tapes, cross system submissions, as well as personnel and payroll transactions generated by PPSD staff. Although our system has numerous built in edits and audits to prevent erroneous transactions, some errors still can and do get through. For example, some employees are placed in the wrong retirement account code and it may not be discovered for years. We believe we can run various system reports to isolate potential account code errors and work with the departments to resolve these. Also, we're looking at various problem areas and will focus on the most critical errors. As we get further into the project, we will be requesting input from the PPRC and Transaction Supervisor forum to identify and prioritize additional problem areas.

Questions/Answers:

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Question: What will you do if a state employee requests a duplicate W-2 and does not have the appropriate payroll deduction box checked?

Answer: If this is an active state employee and even though we are unable to contact the employee to verify the payroll deduction, we will still provide the duplicate and set up the deduction.

Question: We have an employee who has a garnishment that stipulates that the money must be in the payee's hands on the 5th of the month. If it is not, there is a \$10.00 per day penalty. Can this money be Direct Deposited into the payee's account?

Answer: No, there are no provisions for direct deposit of garnishment proceeds.

Question: Who handles MIRS?

Answer: Dave Edwards is the manger of that group.

Question: We have an issue with the employee's work address for SDI being different than the Human Resources Office for completion of the documentation. How can we get EDD to use our Human Resources Office address instead of the employee's worksite?

Answer: We will try to get the instructions to indicate that the employee should use the Human Resources office address on the forms they submit.

The next meeting is Thursday May 11, 2006 from 1:30 to 3:00 at:

State Controller's Office
300 Capitol Mall, 6th Floor, Room 635
Sacramento, CA 95814

Listed below are the PPRC meeting dates for the 2006 calendar year. All meetings are from 1:30 to 3:00 at the above location.

Should you have any questions regarding the PPRC meeting or have additional information to provide, please contact either Pam Keegan at (916) 323-2539 or Cindy Rounds at (916) 324-6290. They can also be reached via email at pkeegan@sco.ca.gov and crounds@sco.ca.gov, respectively.

July 13,	2006
September 14,	2006
November 9,	2006