

State of California

Government Compensation in California Program

Frequently Asked Questions



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California State Controller's Office

Government Compensation in California (GCC) Report FAQs

- *Our district does not have any paid employees – Do I need to submit a GCC report?*
 - Yes. Pursuant to Government Code §53890-53891, all special districts are required to submit a GCC report. If your district has no paid employees, submit a report that lists the Board Members. Enter the Department name (Board Member, Board of Directors), the Classification (Director, Trustee), and leave the remaining fields blank.

- *Do contracted employees need to be reported?*
 - No. Only employees who received a W-2 for the calendar year and board members (compensated or uncompensated) are to be reported.

- *Should employee names be included on the report?*
 - No. Employee names are not permitted.

- *When is it appropriate to identify an employee as an “Elected Position”?*
 - An employee is considered an elected position when his or her position with that specific entity is attained via public election, or when he or she is appointed to fill out the remainder of a previously elected official’s term. Individuals serving for multiple entities should be listed as elected position only for the entities to which they were specifically elected. For example, if an employee is elected to the city council and subsequently appointed as a Board Member for a special district, he or she would be listed as an elected position on the city’s GCC report, and would not be listed as an elected position on the special district’s GCC report.

- *If there is no “Department” name for an employee’s position, what should I enter in that column?*
 - You should enter the name of the entity or type of activity performed. (i.e. ABC Finance Authority, Water, Fire)

- *If one position is held by two or more employees during the year, do I need to enter anything in the “Multiple Positions Footnote” field?*
 - No – a multiple position footnote is only entered when one employee held two or more positions concurrently during the calendar year. If a position is held by two or more employees during the year, please provide separate entries for each employee.

- *If an employee was promoted or changed positions during the year, do I need to enter anything in the “Multiple Positions Footnote” field?*
 - No. A multiple position footnote is entered only when an employee held two or more positions concurrently during the calendar year. If an employee was promoted or changed positions during the year, report the employee’s position at the end of the year and include his or her pay and benefit information for all positions the employee held during the year.

- *What type of compensation is considered “Annual Regular Pay?”*
 - Annual Regular Pay is the base salary paid to the employee that is associated with his or her position(s) held during the calendar year. This will include any leave time used (vacation, sick leave, etc.) and/or paid holidays.

- *What if an employee’s wages are not subject to Medicare taxes (Box 5 of W-2)?*
 - For an employee who held a position that did not have wages subject to Medicare taxes, use the amount reported in Box 1 of that employee’s W-2 and add back any deferrals and deductions that would have been Medicare-taxable.

 - For information on positions that are not subject to Medicare taxes, refer to *Internal Revenue Service Publication 15-A Employer’s Supplemental Tax Guide*: <https://www.irs.gov/pub/irs-pdf/p15a.pdf>

 - For information on benefits not subject to Medicare taxes, refer to *Internal Revenue Service Publication 15-B Employer’s Tax Guide to Fringe Benefits*: <https://www.irs.gov/pub/irs-pdf/p15b.pdf>

- *What is “Lump Sum Pay?”*
 - Lump Sum Pay is a one-time cash payment from the employer (i.e. cash out of vacation time at the point of separation).

- *What does “Other Pay” include?*
 - Other Pay includes, but is not limited to, the following: car allowances, meeting stipends, incentive pay, bonus pay, hazard pay, bilingual pay, on-call pay, and any other pay that is Medicare-taxable and not part of the base pay.

- *How should I report retroactive pay?*
 - The wages reported are derived from Box 5 of the W-2, therefore, you should report retroactive pay in the year it was received.

- *Do I need to adjust the annual salary ranges for calendar years with extra pay periods?*
 - No. The salary ranges are based on the position’s salary schedule, regardless of the pay period fluctuation for certain calendar years.

- *The Microsoft Excel template is not allowing me to paste data from another spreadsheet or work with formulas – is it protected?*
 - Yes. The template is protected to preserve formatting. To copy and paste all data from another spreadsheet, ensure that the number of columns on the source file matches those on the reporting template; no data is to be entered outside of the provided columns. You can work with formulas in a separate Excel spreadsheet and copy and paste the final values to the report template. To do so, select the cells to be copied, right-click the destination cell in the report template, and select “123” (Values), found under the Paste options. This will eliminate all formulas and formats associated with your separate working files.

- *What is the difference between the “Retirement Plan: Employees’ Share Paid by Employer” and the “Defined Benefit Plan: Employer’s Share” column?*
 - The Retirement Plan: Employees’ Share Paid by Employer column includes the retirement contribution paid by the employer that would normally be covered by the employee. For example, if the employee’s retirement contribution share is 7%, but the employer covers 2% of that 7%, enter the 2% (dollar amount) in this column. The Defined Benefit Plan: Employer’s Share column is the employer’s retirement contribution amount for the employee’s defined benefit plan.

- *How should I report cafeteria allowances?*
 - If the employer provides a cafeteria allowance, report the portion used in the Health, Dental, Vision column, and report any unused portion in the Other Pay column. For example, if an employee receives a \$1,000 cafeteria allowance and uses \$800 of it, \$800 of the allowance should be included in the employee’s Health, Dental, Vision column. The remaining \$200 of the allowance is unused, so the employee receives this amount as pay. Include the \$200 in the Other Pay column for the employee.

- *How do I submit a GCC report using the File Transfer Protocol (FTP)?*
 - To submit a report using the FTP, refer to the FTP Instructions available on the State Controller’s Office website:
https://www.sco.ca.gov/ard_locinstr_gcc_reporting.html

- *In prior year GCC reports I included payments made toward our pension’s unfunded liability in the amount listed in the “Defined Benefit Plan: Employer’s Share” column, should I include it in this year’s report as well?*
 - Starting with the 2018 calendar year report, we are encouraging employers to exclude unfunded liability payments from the GCC report.

- *Will my report still be accepted if I can’t exclude unfunded liability payments from the “Defined Benefit Plan: Employer’s Share column?”*
 - Yes, your report will still be accepted if you are unable to exclude unfunded liability payments as requested. The GCC reporting template contains a drop down field where you will indicate whether or not unfunded liability payments are included in your report.

*These FAQs are located on the State Controller’s Office website at:
https://www.sco.ca.gov/ard_locinstr_gcc_reporting.html*

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