

STATE CONTROLLER'S OFFICE
PERSONNEL AND PAYROLL SERVICES DIVISION
P.O. BOX 942850
SACRAMENTO, CA 94250-5878

DATE: June 3, 2014

PAYROLL LETTER #14-007
(CIVIL SERVICE ONLY)

TO: All Agencies in the Uniform State Payroll System

FROM: Lisa Crowe, Chief
Personnel and Payroll Services Division (PPSD)

RE: UNDERFUNDED SAVINGS PLUS ACCOUNTS

PLEASE PROVIDE THIS INFORMATION TO ALL DEPARTMENTAL ACCOUNTING, BUDGET AND PERSONNEL STAFF.

This Payroll Letter provides agencies with pertinent information regarding the processing of Accounts Receivables (AR) that were established due to underfunded Savings Plus accounts. Please refer to the Personnel Management Liaisons Memos (PMLs) 2012-012 and 2011-042 for further information on the types of errors and delays that can result in the underfunding of an employee's Savings Plus account.

As Personnel/Payroll Services Division (PPSD) corrects employment and payment history for all underfunded savings plus accounts, the following process should be used to clear these ARs from agencies accounting systems.

- Beginning on 9/18/12, underfunded ARs were established using "BATCH NUMBER RZ...". This identifier will appear on the AR half sheet which will be produced as pay history corrections are made. Each agency will clear this AR from their system using their normal business practice.
- For ARs keyed prior to 9/18/12, employees' employment history should be reviewed by each agencies HR office to determine if the pay periods affected were a result of an error described in one of the PMLs above that caused an underfunding in the employees' Savings Plus account. Once identified to be an underfunded AR each agency will clear this AR from their system using their normal business practice.
- When an AR half sheet is received reflecting an RZ batch number or it is determined through review to be an underfunded AR, as a gentle reminder: *Once Employment History has been corrected and an AR is established to correct Pay History, the AR process corrects and remits all monies to the correct appropriations (State Controllers Office (SCO) ARO Journal entry) for each agency. The "Notice of Payroll Accounts Receivable" (AR half sheet) is produced and sent to inform the agency that an AR was processed. NOTE: The AR half sheet is distributed in the standard system generated listing but there is NO amount due from the employee.*
- If any agency is unsure how to clear this from their system, please contact CALSTARS Hotline at (916) 327-0100 or the agency's accounting system administrator for further help.

If you have any questions regarding underfunded Savings Plus Accounts, please contact Lisa Callaghan at (916) 324-9354 or email at Lisa.Callaghan@Calhr.ca.gov or Kim Madson at (916) 323-8489 or email at Kimberly.Madson@Calhr.ca.gov.

LC:JR:PMAB