STATE OF CALIFORNIA

BETTY T. YEE
California State Controller

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

DATE: April 12, 2019   PAYROLL LETTER #19-006

TO: All Agencies/Campuses in the Uniform State Payroll System

FROM: Marissa Revelino, Chief
           Personnel and Payroll Services Division (PPSD)

RE: **ANNUAL PAYROLL HEADER REPORT – FORM PR421**

The attached Annual Payroll Header Report – Form PR421 represents the Departments or Campuses current Fiscal year 2018/2019 Payroll headers as of April 10, 2019. Use these forms to change or delete Payroll Headers for Fiscal Year 2019/2020.

To assist in processing the Annual Payroll Header Report – Form PR421 for Fiscal Year 2019/2020, use the following instructions.

- On the right side of each Form PR421, under the heading "2019/2020 CURRENT HEADER DESCRIPTION," the 2018/2019 description will be printed with the item line showing the new Budget Act Year Information. The left side under the heading "CHANGES" will be blank. Note only changes or deletions to existing Payroll Headers (refer to sample PR421 attached).

- When deleting an entire Payroll Header, draw a diagonal line through the "2019/2020 CURRENT HEADER DESCRIPTION," (refer to sample PR421 attached).

- New Payroll Headers can be added via STD. Form 407 – Payroll Header Change (See Payroll Procedures Manual (PPM) Section C204 for STD. Form 407 completion instructions).

- The preprinted data on Form PR421 does not reflect changes in 2018/2019 Payroll Headers processed after April 10, 2019. Payroll Headers, which will automatically terminate June 30, 2019, should be re-established for Fiscal Year 2019/2020 and are not on the Forms PR421, should be submitted on STD. Form 407 (See PPM Section C204 for STD. Form 407 completion instructions).

- Entries on Form PR421 must be typed or clearly printed for key entry.

- Description lines must not exceed 30 characters per line (including spaces).

- To establish conformance for all Payroll Headers, the last three lines of the Payroll Header description must show Funding Source, Item Number (when applicable) and Program Number (when applicable).

- Payroll Header descriptions must reflect FI$Cal program code schema. Please refer to the Proposed Budget Act of 2019-2020 and FI$Cal Program Crosswalk to identify the correct program code (refer to attached Payroll Header Instructions Items of Appropriations). For Agencies continuing to use a clearing account (Program 99), the FI$Cal Program coding requirements also apply.

- When <u>changing the report unit</u>, the Payroll Header must be deleted on Form PR421and a new Payroll Header must be established via Form STD. 407 (See PPM Section C204 for STD. Form 407 completion instructions).

- If the agency/reporting unit is <u>Out of State</u>, a notation must be made in the blank area under the agency/reporting unit on the STD. Form 407 or Form PR421.

- Ensure the Authorized Signature line on the first Form PR421 for each different agency code is signed, the contact person and phone number are completed on each Form PR421.

- All <u>Form PR421</u> must be returned (do not reduce) even if the agency is being abolished or nor changes are made. Please keep the copy for your records.

All Forms PR421 **<u>Must be Returned by Friday, May 3, 2019:</u>**

> STATE CONTROLLER'S OFFICE
> Personnel and Payroll Services Division
> P.O. Box 942850
> Sacramento, CA 94250-5878
> ATTN: Position Control Unit

To assign new agency codes, please see PPM Section C100. Questions regarding new agency codes should be directed to Chuck Lucas at (916) 323-6019.

Questions regarding Payroll Header description lines (last three lines only), that are pre-printed or to be entered, contact the Payroll Fiscal Consulting Section of the State Controller's Office, State Accenting and Reporting Davison at (916) 322-7637 or via email at payrollaccounting@sco.ca.gov.

If you have questions regarding this letter or the completion of Form PR421, please contact the Statewide Position Control Program, via phone at (916) 372-7200.

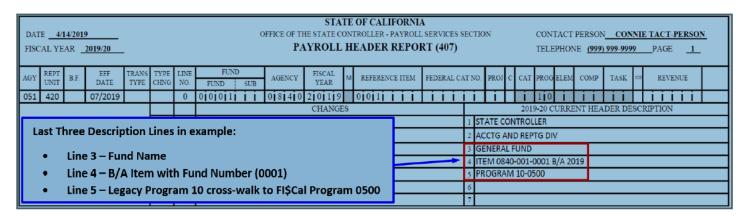MR:JEB:JS:ML:LD:SPCP:PPOB

Attachments

State Controller's Office
Payroll Header Instructions
Items of Appropriation
Fiscal Year 2019-20

Following are step-by-step instructions to confirm and/or change payroll headers for Fiscal Year (FY) 2019-20 on Annual Payroll Header Report (407), Form PR421. When reviewing 407s that are subject to Legacy and FI$Cal Program coding structure, consult your departmental budget office for assistance.
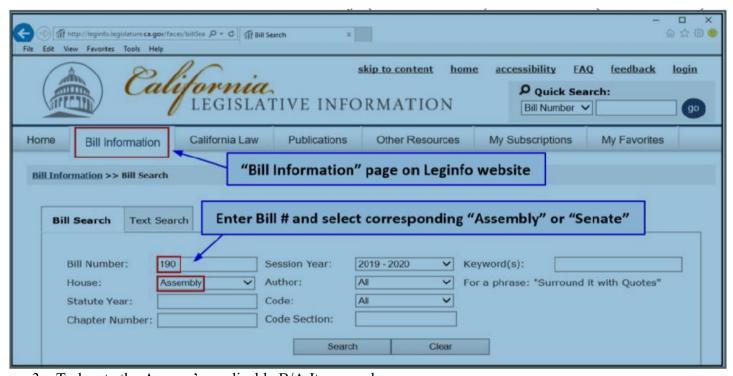
Overview:

Payroll Header Report (407), Form PR421 report. Review the last three description lines for confirmation and/or changes. See the following example:

- Line 3 description for fund name should correspond to fund number on line 4 (General Fund = 0001).

- Line 4 references the legal spending authority for FY 2019-20 via Budget Act (B/A) Item.

- Line 5 references Legacy Program Code "10" cross-walked to FI$Cal Program Code "0500".

Instructions for Obtaining Agency Budget Information for Fiscal Year 2019-20:

1. To determine the correct program coding for the payroll header description, refer to the proposed B/A item.

2. To search for the proposed B/A item, refer to:

   • Proposed FY 2019-20 Budget Act Book or,

   • California Legislative Information website:

        o Select the "Bill Information" tab

           A. Enter Bill Number: "190" or "73".

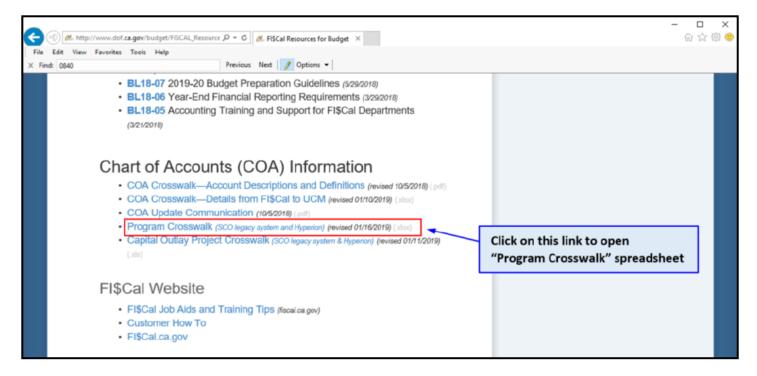   B. Enter House: Assembly (for Bill 190) or Senate (for Bill 73).

3. To locate the Agency's applicable B/A Item number:

   • Use the Control "F" key find feature.

        o Enter agency's four-digit organization code.

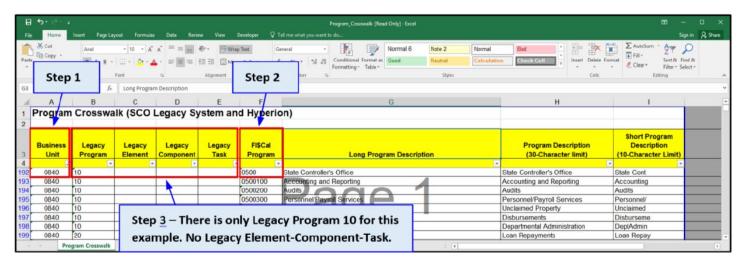   **Note:** The B/A Item program numbers are reflected under the agency's appropriation under "Schedule":

Department of Finance (DOF) – FI$Cal Program Crosswalk Table to the SCO Legacy System:

4. The FI$Cal Program Crosswalk table identifies the Legacy Programs for each B/A Item.

   • Refer to the DOF http://www.dof.ca.gov/Budget/FISCAL_Resources_for_Budget/ webpage.

   • Scroll down to "Chart of Accounts (COA) Information"

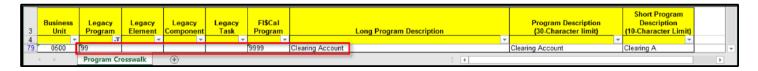   • Select the "Program Crosswalk (SCO legacy system and Hyperion)" link shown in the following:

5. The following steps show how to locate the Legacy to FI$Cal program coding using information from procedure step 3, "To locate the Agency's applicable B/A Item number":

- Step 1: In the Business Unit column, locate the four digit Agency Organizational Code (0840).

- Step 2: In the FI$Cal Program column, locate the B/A (FI$Cal) Program Code (0500).

- Step 3: In the Legacy Program column, locate the corresponding Legacy Program Code (10).

Note: Some Legacy Program Codes may also have additional "Element-Component-Task" coding.

- Legacy Program Code 99 Clearing Accounts crosswalk to FI$Cal Program 9999:

Instructions to Confirm and/or Change Payroll Header Description:

6. In the Payroll Header Report (407), verify the "Current Header Description" matches the B/A item (appropriation string), as identified in procedure steps 1 thru 5 above.

The Fund Name (i.e. General Fund, etc.) should be on a line between Lines 3 and 5.

The B/A Item as identified in step 3 above should be on the next line after the Fund Name.

The Legacy to FI$Cal Program Coding as identified in step 5 above should be on the next line after the B/A Item information..

Note: *If any changes are required, list them in the "CHANGES" section*

For questions, please email: payrollaccounting@sco.ca.gov