



May 2023

## Ad Hoc Committee on Human Resources Forum Notes

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### SURVEY QUESTIONS:

The following questions are submitted prior to the forum via [Survey Monkey](#).

**Recap:** Follow up for SCO on the process to dispute invoices and appeal ones that have already been paid. This is for the charges related to issuing payments, such as the telework stipend, for retro pay periods that was no fault to the department since guidance was not provided timely and the agreement was retroactive.

**Answer:** Retroactivity Charges:

- Information regarding Retroactivity Charges is available within [Section A 011](#) of the Payroll Procedures Manual (PPM).
- Agencies have an opportunity to dispute uncontrollable charges by submitting a report to Personnel and Payroll Services Division (PPSD) via email using the [Retroactivity Electronic Submission Instructions](#) available on the State Controller's Office (SCO) website.
- Additional information supporting the conversion from paper reports to electronic reports was published within SCO's [Payroll Letter #22-026](#).
- The reports to dispute uncontrollable charges are due to PPSD no later than the first business day of the month after each monthly report has been released within Mobius View.
- Once the period for submission has closed, credits will be processed and quarterly invoices will be issued.
- Please note that Telework Stipend Pay Differentials approved last calendar year are no longer considered to be uncontrollable as agencies should be able to key or upload to [ConnectHR](#) within the required timeframe (15 calendar days after the transaction pay period).
- Any additional questions or concerns can be emailed to [PPSDContracts@sco.ca.gov](mailto:PPSDContracts@sco.ca.gov).

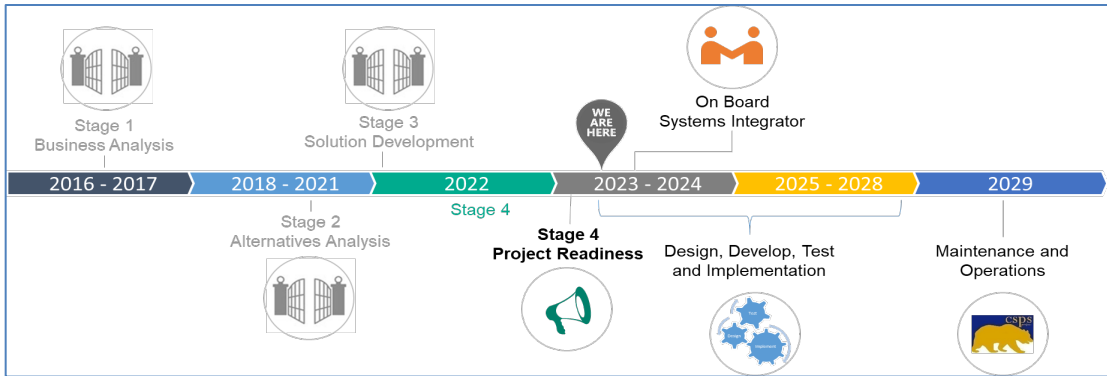
## SCO KEY INITIATIVES:

### SCOConnect: Cal Employee Connect Project/ConnectHR – Moe Adam ([ConnectHRhelp@sco.ca.gov](mailto:ConnectHRhelp@sco.ca.gov))

- Cal Employee Connect (CEC) Phase II – Employee Service features
  - Multifactor Authentication ([MFA User Guide](#)):
    - Now available to all Cal Employee Connect (CEC) users
    - As of 5/23/23: 29,897 employees have enabled MFA
  - Direct Deposit:
    - 90% of departments statewide have been deployed
    - As of 5/23/23: CEC has received 7,293 direct deposit transactions
  - Address Change:
    - As of 5/10/23: 90% of departments statewide have been deployed
    - As of 5/23/23: CEC has received 361 address change requests
- ConnectHR
  - Accounts Receivable (A/R) 035 Deduction Collection Feature:
    - This feature has been made available to all agencies
    - As of 5/23/23:
      - The ConnectHR team sent notice of the feature availability to all remaining agencies via email to Security Monitors and Universal Email
      - 82% of departments/agencies have been enabled
      - Total of 30,406 A/R 035 deductions have been processed via this feature
      - Total of \$6,879,447 has been collected

**SCO – [California State Payroll System \(CSPS\) Project](#)** – Hannah Licht (Contact: [CSPSHelp@sco.ca.gov](mailto:CSPSHelp@sco.ca.gov))

- CSPS Project Speed of Change
  - 2026 – 2028 | Commitment Level: Ownership and Commitment
    - Roll Out to Departments
    - Maintain System
  - 2024 – 2025 | Commitment Level: Support and Knowledge
    - Prep for Go-Live
    - Train Users
    - Pilot Departments
  - 2023 – 2024 | Commitment Level: Understanding
    - Onboard Vendor
    - Configure System
    - Educate on Future State
  - 2022 – 2023 | Commitment Level: Awareness
    - Vendor Selection
    - DART Formation
    - Validate Processes
- Project Information:
  - **Objective:** To modernize and integrate the State’s Human Resource and Payroll systems
  - **Goals:** Manager and Employee Self-service, Reduction in manual/paper submissions, Improved reporting capabilities, Efficiencies in processes/workflow
  - **Scope:** Personnel Administration, Benefits Administration, Position Control, Time & Attendance, Travel & Business Expense Management, and Payroll
  - **Why CSPS:** Current system is 50 years old and not integrated; current system does not reflect or incorporate IT, HR, PR innovations over past 50 years.
  - **Who will this impact:** State HR and Payroll staff and all state employees
- Status Updates / Progress:
  - We are currently conducting negotiations with potential system integrators for the CSPS Project
  - Technical team has been ahead of schedule cleaning up data in our legacy systems
  - Departments have until the August to identify Subject Matter Experts (SMEs) and Coordinators to their assigned Agency Change Expert (ACE)
  - The Organization Change Management (OCM) ACEs have been conducting initial outreach meetings with their departments over the last couple weeks



## **BENEFITS ADMINISTRATION:**

**SCO – Statewide Benefits Program** – Ryan Baughman (Contact: [ppsdcsbenefits@sco.ca.gov](mailto:ppsdcsbenefits@sco.ca.gov))

- Updates and Reminders
  - STD. 692 Dental Enrollment Form – Must Use Most Current Version
    - Starting in May 2023, the Civil Service Benefits Unit will begin sending back outdated versions of STD. 692 Dental forms for correction.
    - The current version date is 03/2021 and can be found here on the [Department of General Services](#) website. An autofill version is available for employees on [CalHR's benefits calculator](#) website.
  - [Weekly Processing Dates](#) – Civil Service Benefits
    - We are approaching Service Level Agreement (30 days) on all our workloads.

**Affordable Care Act Program** – Sarah Huggins (Contact: [acasupport@sco.ca.gov](mailto:acasupport@sco.ca.gov))

- Update to ACA Compliance Report Effective June 1, 2023
  - Employee without appropriate address
    - PDA2050F (monthly)
    - PDQ2701I (quarterly)
  - Partnership with CSPA Project for data cleansing activities
  - Modifications:
    - Includes Active and On Leave employees
    - Separations effective January 1, 2023
  - Reports will be available on [ViewDirect and Mobius View](#)
- Impacts of 1095-C Corrections
  - 2020 corrections in progress
  - Information Reporting Penalties
    - As of the 2021 reporting year (1095-Cs issued in early 2022), the Internal Revenue Service (IRS) no longer provides relief for incorrect reporting
    - \$280 – failure to file a correct 1095-C record to the IRS
    - \$280 – failure to provide a correct 1095-C to the employee
    - Total: \$560 per each corrected 1095-C
  - Why does this matter? Information Reporting Penalties
    - Penalties will be passed directly to HR offices responsible for the corrections
    - Penalties compound over time
    - Penalties can be avoided
  - Compounded penalty example
    - A change to an employee's Affordable Care Act System (ACAS) record was made today. The change was effective January 2020. The change results in a correction to the employee's 2020, 2021, and 2022 1095-Cs.
    - Total penalty: \$1,140

- Corrected 2020 1095-C: \$0 (IRS provides penalty relief)
- Corrected 2021 1095-C: \$560
- Corrected 2022 1095-C: \$580
- How do you avoid Information Reporting Penalties
  - Training & Resources: [https://sco.ca.gov/ppsd\\_affordable\\_care\\_act\\_training.html](https://sco.ca.gov/ppsd_affordable_care_act_training.html)
  - Support:
    - ACAS: [acasupport@sco.ca.gov](mailto:acasupport@sco.ca.gov)
    - ACA Policy: [ACA.Policy@calhr.ca.gov](mailto:ACA.Policy@calhr.ca.gov)
  - Add ACA work to regular part of personnel and payroll processing
  - Ensure all errors on monthly Compliance Reports and Safe Harbor reports are resolved

## PROGRAM UPDATES:

**System Activities Coordination and Support (SACS)** – Chuck Lucas (Contact [ppsdsacs@sco.ca.gov](mailto:ppsdsacs@sco.ca.gov))

- Schedule 8 activities
  - Test Files are available on [ViewDirect/Mobius View](#) under PD59 (REGULAR) & PD60 (SUPPLEMENTARY) as of 05/03/23
  - File Transfer Protocol (FTP) files were sent to agencies on 05/08/23 for those that signed up
  - Change in Established Positions Form Std. 607
    - [Fiscal Year-End Letter #23-003](#) (Due back by 06/02/23)
  - Preliminary Budget Memo (Fiscal Year End Letter 23-005) will be posted on Listserv on 07/06/23
  - Production Schedule 8 reports will be available on [ViewDirect/Mobius View](#) on 07/06/23 under PD59 (REGULAR) & PD60 (SUPPLEMENTARY)
  - FTP files for those that signed up will be sent on 07/10/23

### **A Shining Example, Our Vision Moving Forward**

- Program Management and Operational Readiness Assessment Project
  - Began January 2020
  - Goals accomplished
- Third and final phase
  - Concluded December 2022
  - Goals accomplished
  - Goals through the remainder of 2023
- State Controller Malia M. Cohen
  - Leading the CSPS Project to implementation
  - Both CEC and the CSPS Project will continue their forward progress to achieve the vision set forth by her administration for these initiatives.
- We encourage you to read the full article on our website, [A Shining Example of Future-Focused Change at the State of California](#)

## PPSD General Reminders

When you reconcile payroll, check that these *details* are correct:

- Withholdings and deductions
- Employer taxes
- Hours worked, including overtime, vacation time, sick days, etc.
- Wages and salaries

Make sure the numbers recorded are reasonable. Look at past payrolls to see if current pay period is similar. If there is a large difference, learn the cause. Then, make sure each transaction you entered is correct.

- We have moved - [300 Capitol Mall, Suite 701 Sacramento, CA 95814](#)
- Remind HR staff to use [ConnectHR](#) to submit documents or upload data
- Update [California Personnel Office Directory \(CPOD\)](#)
- The [PPSD Register](#)– PPSD’s Monthly Newsletter
- Recommended [subscriptions](#)
- Review Communication from State Policy and Instructional Departments for Business Process impacts
- Review personnel and payroll reports to ensure accuracy of data
- It is recommended that the Human Resources (HR) staff follow [Section M](#) of the Payroll Procedures Manual (PPM) for certifying payroll, which requires HR staff to validate that both mandatory and voluntary deductions have been withheld appropriately and to certify the employee’s payroll is accurate.
- Share this information with your Human Resources Team!



## SCO RESOURCES:

- Websites:
  - Human Resources (HR): [https://sco.ca.gov/ppsd\\_state\\_hr.html](https://sco.ca.gov/ppsd_state_hr.html)
  - State Employees: [https://sco.ca.gov/ppsd\\_se\\_payroll.html](https://sco.ca.gov/ppsd_se_payroll.html)

## SCO KEY INITIATIVES:

- [SCOConnect](#)
- [California State Payroll System Project](#)

## CONTACTS:

- Affordable Care Act (ACA) Email [acasupport@sco.ca.gov](mailto:acasupport@sco.ca.gov)
- [Cal Employee Connect \(CEC\) - Help and Feedback](#)
- [ConnectHR - Help and Feedback](#)
- California Leave Accounting System (CLAS) Email [CLAS@sco.ca.gov](mailto:CLAS@sco.ca.gov)
- CS Escalation Email (HR Supervisors and Managers) [PPSDOps@sco.ca.gov](mailto:PPSDOps@sco.ca.gov)
- Decentralized Security Administration & ViewDirect Access - (916) 619-7234 or [DSA@sco.ca.gov](mailto:DSA@sco.ca.gov)
- HR Suggestions Email (All HR Staff) [PPSDHRSuggestions@sco.ca.gov](mailto:PPSDHRSuggestions@sco.ca.gov)
- Management Information Retrieval System (MIRS) Email [ppsdmirs@sco.ca.gov](mailto:ppsdmirs@sco.ca.gov)
- [Statewide Customer Contact Center](#) (916) 372-7200