



October 2022

Ad Hoc Committee on Human Resources Forum Notes

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SCO KEY INITIATIVES:

SCOConnect: Cal Employee Connect Project/ConnectHR – Tiffany Fong-Mao (ConnectHRhelp@sco.ca.gov)

Cal Employee Connect (CEC)

- CEC Phase II – Pseudo-Interactive features
 - Wave one departments (110 civil service and 8 CSU campuses) have been deployed with Multifactor Authentication (MFA) and Direct Deposit features.
 - As of 10/25/22: **609** employees have enabled MFA
 - As of 10/25/22: CEC has received **207** direct deposit transactions.
- New [Help and Feedback](#) Web Form!
- Electronic W-2 Survey – Coming Soon!
- [Our Promise](#) Campaign Donations
 - How to [Donate Now](#)

ConnectHR

- Telework Stipend Update - September:
 - 146,106 payments were issued to 104,923 employees
 - More than 90% were the result of data submitted via ConnectHR rather than the Payroll Input Process (PIP)

SCO – California State Payroll System (CSPS) Project – Gina Serrano (CSPSHelp@sco.ca.gov)

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, Benefits, Position Control, Time & Attendance, Travel & Business Expense 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:

- **Recent Progress:**
 - Conducted “A Manager’s Role in Leading Change” for PPSD
 - Delivered “Improvements to Employee Pay” presentations to CalHR and SCO
 - Started Phase 2 of data cleansing
- **Upcoming Activities:**
 - Deliver “Improvements to Employee Pay” to the Labor Relations Forum
 - Recurring meetings with Fi\$CAL to mitigate risk
- **Schedule:**

Activities	Start	End	Status
Conduct Solicitation Phase 2 – Proof of Concept and Evaluate Proposals	August 2022	November 2022	In progress
DART Sponsor and Liaison Kickoff Meetings	October 19, 2022	November 14, 2022	In progress
Conduct Solicitation Phase 3 – Negotiate and Select Vendor	November 2022	June 2023	

BENEFITS ADMINISTRATION:

Affordable Care Act – Korinn Revelino (ACASupport@sco.ca.gov)

Information Reporting Penalties (IRP) – Corrections

- What is changing?
 - As of the 2021 reporting year (1095-Cs issued early 2022), the IRS is no longer providing relief to employers for incorrect reporting
- 2021 IRP Amount
 - \$280: Failure to file a correct 1095-C record to the IRS
 - \$280: Failure to provide a correct 1095-C to the EE
 - **Total: \$560 per corrected 1095-C**
- 2022 IRP Amount
 - \$290: Failure to file a correct 1095-C record to the IRS
 - \$290: Failure to provide a correct 1095-C to the EE
 - **Total: \$580 per corrected 1095-C**
- What does this mean?
 - The State of California will be assessed penalties for all corrected 1095-Cs once SCO submits the 2021 corrected 1095-Cs to the IRS (as early as 2024)

- Why should I care?
 - HR offices are responsible for maintaining accurate information in ACAS
 - IRPs will be passed down to the department at fault
 - Penalties compound over time

Information Reporting Penalties – Compounded Over Time

- Example A: "Department Z" became aware of a needed update for an employee's ACAS record in November 2022. The change dated back to January 2021. Time went on and for multiple reasons, the change did not get made until April 2024. When the change was made, it resulted in a correction to the employees 2021, 2022, and 2023 1095-Cs
- Resultant penalties:
 - Corrected 2021 1095-C: \$560
 - Corrected 2022 1095-C: \$580
 - Corrected 2023 1095-C: \$600 (estimated)
 - **Total: \$1,740.00**
- Example B: "Department Z" became aware of a needed update for an employee's ACAS record in November 2022. The change dated back to January 2021. The change was made as timely as possible, in November 2022. When the change was made, it resulted in a correction to the employee's 2021 1095-C.
- Resultant penalty:
 - Corrected 2021 1095-C: \$560
 - **Total: \$560.00**

	Example A	Example B
Total Penalty Assessed:	\$1,740	\$560
Total Savings:		\$1,180

Information Reporting Penalties (IRP) – Corrections

- What can we do to reduce our penalty liability?
 - ACA must be part of regular personnel and payroll processing
 - Ensure staff are trained and aware of resources
 - Ensure HR staff are addressing all Compliance Report errors on a monthly basis
 - Ensure that HR staff are addressing all errors identified on the monthly Safe Harbor report

SCO – Statewide Benefits Program - Ryan Baughman (ppsdcsbenefits@sco.ca.gov)

- Open Enrollment Important Dates:
 - **October 14th** - Last day for employees to submit Open Enrollment forms to Human Resource offices
 - **November 1st** - Last day for agencies to submit new Open Enrollment forms via ConnectHR
 - **November 23rd** - Last day for agencies to submit PR250 corrections
 - **January 1st, 2023** - Effective date of Open Enrollment Benefits
- Open Enrollment Reminders:
 - Please encourage your HR staff to submit Open Enrollment forms via ConnectHR on a flow-basis. **Deadline for Open enrollment forms is November 1st (next Tuesday!!).**
 - Please remind your staff that all sections of the Open Enrollment Forms must be completed prior to upload

Disclaimer: This publication is intended for reference only. It does not supersede current applicable laws or regulations, and it is not intended for purposes of providing legal advice.

PROGRAM UPDATES:

CalPERS Retirement Reporting – Tracy Gutierrez (SCCC (916) 372-7200)

CalPERS Administrative Fees for Arrears

- Cause:
 - Late enrollments
 - Active employee appointments keyed 90+ days after effective date
 - [Circular Letter #200-009-20: Notification of Reported Late Appointment \(Enhanced myCalPERS Functionality\)](#)
 - Late Retired Annuitant (RA) reporting
 - RA appointments keyed 30+ days after effective date
 - RA payroll keyed 30+ days after effective date
 - [Circular Letter #200-048-18: Enrolling and Reporting Retired Members \(ca.gov\)](#)
- Appeals:
 - Must be received by CalPERS within 30 days of invoice for waiver consideration
 - If you have questions regarding a received 'Notification of Reported Late Appointment' letter from CalPERS, send a copy to the PPSD Civil Service Retirement to ppsdcsretirement@sco.ca.gov.
- Monthly Service Credit
 - Retirement service credits are reported by SCO in a monthly file
 - Retirement service credits are posted to my|CalPERS in the last week of the following month
- MyCalPERS Health Appointments
 - When SCO encounters Health Appointment issues, SCO contacts CalPERS
 - CalPERS has a five (5) day Service Level Agreement with SCO
 - For inquiries regarding Health Appointments, please contact the Statewide Customer Contact Center at (916) 372-7200

Statewide Tax Support Program – Monique Perez

- Nonresident Aliens Business Process (PPSDSTSP@sco.ca.gov):
 - Broadcast Email - [September 16, 2022](#)
 - REVISED [Personnel Letter #22-011](#): Verification Of Employees Identified As Nonresident Alien
 - REVISED [Personnel Letter #22-003](#): Verification Of Employees Identified as Nonresident Alien
 - [Payroll Letter #06-030](#) New IRS Nonresident Alien Federal Tax Withholding Procedures
- Calendar Year-End (PPSDW2MiscDed@sco.ca.gov):
 - Payroll Letter Release
 - Direct Mailing of 2022 Form W-2 and 2022 Form 1095-C Return Address on the Forms to Employees
 - [Payroll Letter #22-020](#)
 - Document Cutoff Dates for 2022 Calendar Year-End Processing
 - [Payroll letter #22-019](#)
 - Deceased Employee and Designee/Beneficiary Reporting
 - [Payroll Letter #22-017](#)
 - Salary Advance Reporting Compliance
 - [Payroll Letter #22-018](#)

Executive Office (EO) Inquiries – Nastassja Johnson (PPSDComs@sco.ca.gov)

- What are EO Inquiries? Inquiries that constituents send to the SCO
- Top EO Inquiries:
 - Paycheck: 59 (includes COVID and Telework Stipend)
 - Verification of Employment: 35 (include [Public Student Loan Forgiveness](#))
 - Retirement: 18
- How you can help?
 - Direct them to the resources on the [SCO State Employees](#) webpage

Human Resources (HR) Suggestions – Nastassja Johnson (PPSDHRSuggestions@sco.ca.gov)

- We received 22 HR suggestions in the last three months.
- Three (3) of the suggestions are being reviewed to see if there is something new that we can implement or change
- If we are able to implement any of these suggestions we will share at the forum
- Remember to submit your HR suggestions to the SCO's HR Suggestions Email (All HR Staff) PPSDHRSuggestions@sco.ca.gov

PPSD General Reminders

- 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
 - State Employees: 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
- Cal Employee Connect Email connecthelp@sco.ca.gov
- Cal Employee Connect Feedback Email connectfeedback@sco.ca.gov
- California Leave Accounting System (CLAS) Email Clas@sco.ca.gov
- ConnectHR Email (All HR Staff) connecthrhelp@sco.ca.gov
- ConnectHR Feedback Email (All HR Staff) connecthrhelp@sco.ca.gov
- CS Escalation Email (HR Supervisors and Managers) PPSDOps@sco.ca.gov
- HR Suggestions Email (All HR Staff) PPSDHRSuggestions@sco.ca.gov
- Management Information Retrieval System (MIRS) Email ppsdmirs@sco.ca.gov
- [Statewide Customer Contact Center](#) (916) 372-7200

FORUM QUESTIONS:

The following questions were submitted during the forum:

- **Question:** Can you reiterate correct process for transferring between agencies? We received an employee effective 10/27/22 and the agency stripped, reversed and keyed 18 days for employee. The reason given is to avoid overpayment.

Answer: Please refer to [PAM Section 8.2](#) for assistance on how to proceed with employees' movement. As a reminder, Human Resources offices must coordinate that all Employee History (EH) updates and audits have been completed at the losing agency.